

Politics: Diverse Views, But Polls In December

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Modi In Deep Shock



Will Taskforce Recommendations Gather Dust Again?

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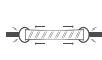
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Business Outlook

From the Editor

Don't Let History Repeat

This is not the first time that an interim government has assumed office to undertake the gigantic task of reforming various sectors—from the judiciary to local governance. The economy, which experienced significant strain under the fascist Awami League regime, remains a focal area. A taskforce recently proposed a comprehensive set of 33 recommendations to revitalise Bangladesh's economy. However, concerns remain over whether these suggestions will be implemented or meet the same fate as past reform efforts. The Taskforce on Re-strategising the Economy and Mobilising Resources for Equitable and Sustainable Development has recommended piloting five projects in its 'Recommendation Highlights' report. These include reforms for public hospitals, rural schools and clinics, the Bangladesh Road Transport Authority (BRTA), the Buriganga River, and a ministry. Led by KAS Murshid, former director general of the Bangladesh Institute of Development Studies, the 12-member taskforce also proposed a pilot project to reform a rural school and an adjacent community clinic, alongside restructuring the BRTA. Additionally, the taskforce advised establishing five new institutions: a Centre of Global Excellence, a revamped national airline, a Centre for Social and Behavioural Change Communication, a Regulatory Reform Commission, and an NBR Oversight Committee. Criticising Bangladesh Biman's failure to meet modern aviation standards, the report suggests creating a new airline using half of Biman's assets under independent, world-class management. To address urban transport, the taskforce under the Ministry of Planning recommended automated traffic signaling and single-operator bus franchises. Its infrastructure report, *Infrastructure and Connectivity: A Pathway to Economic Prosperity*, highlights Dhaka's dysfunction as a capital due to its inadequate road network (covering only 7% of the area), chaotic traffic management, and lack of arterial routes or mass transit systems. The city's woes are compounded by haphazard approvals for railways and flyovers, exacerbating existing chaos. The taskforce also emphasised improving law enforcement and bureaucratic efficiency. We urge the interim government, which seeks national unity on reforms, to secure written commitments from political parties to implement these recommendations.

The current interim government or the upcoming political government needs an active role of bureaucracy to implement most of them. Like a section of bureaucrats who were beneficiaries of the ousted AL misrule and were preventing the much-needed reform will also remain active in the present government and the new government to come. It should be recalled that economist Rehman Sobhan under acting president Justice Shahabuddin Ahmed in 1990-91 after the fall of military dictator HM Ershad in the wake of the anti-authoritarian movement set up 29 taskforces. Around 250 of the most able talents in Bangladesh worked together to provide extremely valuable recommendations for policy reforms to serve the newly elected government. But their dedicated efforts were largely ignored by the government, which was formed later. We don't want the repeat of the history at least in the case of the reforms. ■



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Diverse Views, But Polls In December

POLITICS

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All Lockers Of BB Officials Frozen

The Bangladesh Bank's anti-money laundering unit has ordered to freeze all the lockers of the central bank's former and present officials after an investigation confirmed some officials amassed undeclared assets in the lockers. The Anti-Corruption Commission (ACC) has asked Bangladesh Bank to avoid opening new lockers and freezing the existing ones for central bank officials to prevent them from withdrawing their illegal assets, Bangladesh Bank Director Shahriar Siddiqui confirmed on February 4. The ACC Director Kazi Sayemuzzaman sent a letter in this regard to the central bank on Sunday. The finance adviser agreed with the need to freeze the lockers in a meeting with ACC chairman on 30 January. As per the ACC letter to BB, ACC officials, in the presence of an executive magistrate, found 55,000 euro, \$1.70 lakh, FDR worth Tk70 lakh, over



one kilogram of gold in three sealed cans of former BB deputy governor Sitangshu Kumar Sur Chowdhury. A review of the locker registers revealed sealed safes operated by some other BB officials as well, ACC said in its letter. ■

Bangladesh Imports 5,500MTs Molasses From Pakistan

For the first time, Bangladesh has imported molasses from Pakistan through Mongla Port. The Panama-flagged vessel MT Dolphin-19 arrived at Mongla Port on February 6 carrying 5,500 metric tonnes of molasses from Karachi Port, Pakistan, said a press release. According to Mongla Port Authority, the vessel departed from Karachi Port on January 22. Commodore Md Shafiqul Islam Sarker, member (harbour & marine) of the port authority, Md Kamal Hossain, director (traffic), among others, spoke at a press conference after the arrival of the vessel. ■



Inflation Dips For 2nd Straight Month



Bangladesh's consumer price index (CPI) fell to 9.94% in January from 10.89% in December, according to data released by the Bangladesh Bureau of Statistics (BBS) on Tuesday. As a result, inflation in the country eased for the second consecutive month in January, driven by stable food prices following the arrival of winter vegetables. Food inflation saw a notable decline, dropping to 10.72% in January from 12.92% in December. The reduction comes as steady supply of seasonal vegetables helped stabilize prices. However, non-food inflation edged up slightly, rising to 9.32% in January from 9.26% in December, indicating continued price pressures in other sectors. In November, overall inflation hit 11.38%, marking the second-highest level in 14 years. ■

Cenbank Files Lawsuit Against Nagad

The Bangladesh Bank (BB) has filed a lawsuit against Nagad Ltd, a brainchild of the corrupt Awami League government, for its complicity in financial irregularities worth Tk645 crore. The central bank's Executive Director Arief Hossain Khan has confirmed the development. The lawsuit filed with Motijheel Police Station accuses 24 individuals, including nine officials from the Bangladesh Post Office and a former managing director of Nagad. Upon assuming power in August last year, the interim government appointed an administrator for Nagad. Later, while reviewing the company's financial records, the administrator found Tk600 crore in e-money without any tangible liquidity backing, and unauthorised withdrawals worth Tk1,711 crore. ■



Gazette Issued On VAT Exemption On Foreign Doctors' Fees



The government has issued a gazette exempting foreign doctors from paying Value Added Tax (VAT) on the fees or consultation services they will provide to patients injured during the July-August uprising. The gazette notification, signed by National Bureau of Revenue (NBR) Chairman Md Abdur Rahman Khan, was issued on February 5. The NBR took the decision of exemption as per section-76 of the Income Tax Acts-2023, according to the notification. Earlier on February, the NBR issued a special order regarding this. According to the order, medical and health services provided by both the government and the private sector are exempt from VAT under Part II of the First Schedule of the Value Added Tax and Supplementary Duty Act, 2012, which outlines services exempted from VAT. The NBR specifically exempted VAT on the fees paid to foreign doctors invited by the Directorate General of Health Services or relevant hospital authorities to provide medical services to those injured during the uprising. ■

80 Teams To Monitor Market During Ramadan

Some 80 teams of the Directorate of National Consumer Rights Protection will monitor markets across the country during the holy month of Ramadan in a bid to check illegal hoarding and ensuring selling of essentials at affordable prices. Out of the 80 teams, at least 10 teams of the DNCRP will remain vigil in the Dhaka metropolitan, two teams in each divisional cities while one team each in other important districts with support from both the district and upazila administrations. The decision was taken following view-exchange meetings between the leaders of various Dhaka metropolis market businessmen association and Dokan Malik Samity in order to ensure stockpile and smooth supply of essential items and other commodities during the holy month, an official handout said. Representatives from various agencies, wholesalers and retailers, super and brand shops including Aarong, Apex, Yellow, Infinity,



Shwapno, Meenabazar and Agora attended the meeting. According to the latest data of DNCRP, the directorate from July 1, 2024 to the first week of February, 2025 has conducted some 7,553 drives and thus fined some 15,713 organisations. Besides, around Tk 10.44 crore were realised from the fined organisations. ■



Diverse Views, But Polls In December

Business Outlook Report

The gap between Bangladesh's two main political parties – Bangladesh Nationalist Party (BNP) and Bangladesh Jamaat-e-Islami – is widening over the issue of elections. The differences of opinion became evident after Jamaat's meeting with the Election Commission. Following the meeting, Jamaat leaders announced their preference for local government elections to be held before the parliamentary polls.

A few days earlier, BNP leaders met Chief Adviser Prof Muhammad Yunus to discuss the latest political situation. After the meeting, BNP Secretary General Mirza Fakhru Islam Alamgir stated that the chief adviser informed him of his plan to hold the general election in December this year. Meanwhile, the leaders of the Jatiya Nagorik Committee, a political platform of the Anti-Discrimination Student Movement (ADSM), are advocating for the

interim government to hold a Gana Parishad (National Council) election to recognise the July Mass Uprising as a revolution. They have been demanding a new constitution, arguing that the current one does not reflect the will of the masses and instead allows the establishment of a fascist government. However, both BNP and Jamaat oppose this idea. Instead, they support amending the constitution to create a balance of power between the president, prime minister and parliament. According to them, such reforms would prevent any future establishment of fascism.

Despite their differences, BNP, Jamaat, student leaders and the interim government share a common stance that former Prime Minister Sheikh Hasina and her associates should face trial for crimes against humanity committed during the July Mass Uprising. When Sheikh Hasina attempted to address her leaders and activists online, the

resulting backlash and public outrage led to the destruction of Dhanmondi-32 house, once associated with Sheikh Mujibur Rahman. This incident further united these groups.

The recent visit of the chief adviser to the secret torture cells – known as Aynagar – along with the simultaneous release of a United Nations investigation report on the atrocities committed by Sheikh Hasina's government against students and civilians, has intensified demands for her trial. In response, Prof Yunus has formed the National Consensus-building Commission, appointing himself as its chief, with the heads of other reform commissions as members. The new commission aims to build consensus among political parties and student leaders on election matters, various reforms, and the expedited trial of Sheikh Hasina and her associates. Since the fall of the previous government, student leaders have been demanding a ban

on the Awami League, labelling it as a fascist party. Initially, BNP and Jamaat did not support this demand. However, following the torture cell visit and the UN report's publication, these parties are no longer opposing the idea of banning Awami League.

The coming days will be crucial for the country's political landscape, with significant developments

sation (PR) system, restoring Section 91 of the 'Representation of the People Act,' and relaxing the terms of the Political Party Registration Act. Mia Parwar explained that reinstating Section 91 of the RPO would empower the Election Commission to partially or entirely annul an election, if necessary.

Regarding election preparedness, he

area on February 13, rejected the idea of holding local elections before the national polls and described it as an attempt to push the country into a more fragile political situation. The BNP leader addressed the press briefing after a meeting with the acting British High Commissioner in Dhaka, James Goldman. He said the national election should take place without any delay to ensure political stability in Bangladesh. Fakhru argued that delaying the national election for local government elections would only prolong the existing political unrest, and would undermine the country's stability.

Jamaat's proposal for the proportional representation system in the upcoming election was also firmly rejected by the BNP, with Fakhru stating that the BNP would never support such a system. Parwar, while talking to journalists, emphasised the importance of electoral reforms, saying without proper changes, future elections could repeat the mistakes of the past. He said Jamaat was not demanding immediate elections but was willing to give a 'reasonable' time to complete necessary reforms. Regarding the issue of banning the Awami League, Fakhru said the BNP would not decide whether the AL should be banned or barred from participating in the upcoming national election. He said the people of Bangladesh would decide on it.

The BNP leader also thanked the United Nations for its fact-finding report, which accused ousted Prime Minister Sheikh Hasina of involvement in mass killings during the July-August uprising. He claimed that the report confirmed that the killings during the July-August mass uprising were carried out on orders of fascist Hasina.

National Election Likely In December; What Political Parties Think

The interim government is consider-



BNP Secretary General Mirza Fakhru Islam Alamgir

expected across various sectors. The nation is set to witness major political polarisation.

Jamaat Pushes For Local Polls Before National Election

Bangladesh Jamaat-e-Islami prioritises local body polls over the national election to "align with public sentiment," said party's Secretary General Prof Mia Golam Parwar. Speaking to reporters after a two-hour meeting with the Election Commission at Nirbachan Bhaban on February 13, he said while Jamaat has no objection to the national election being held in December or its scheduling, necessary reforms must come first.

The party submitted a written proposal outlining key election reforms, emphasising their implementation before any polls, UNB reports. The proposals include reinstating the proportional repre-

sation, Jamaat is capable of fielding candidates in all 300 constituencies nationwide.

BNP, Jamaat At Odds Over Next General Election

BNP and its long-time Jamaat have taken conflicting stands on elections. Jamaat demands local body elections and state reforms before the next general election while the BNP wants the national election first after essential reforms. On February 13, the BNP rejected Jamaat's proposal to hold local government elections before the national election, raising concerns that it could destabilise the country.

Jamaat's call for proportional representation in the national election was also swiftly dismissed by the BNP. BNP Secretary General Mirza Fakhru Islam Alamgir, addressing a press briefing at the party chairperson's office in the capital's Gulshan

ing holding the national election in the last half of December this year. The Election Commission is also preparing to hold the 13th parliamentary elections accordingly. The political parties are preparing for the polls too. While BNP wants the national election to be held within this year, Jamaat is unwilling to give any deadline in this regard. They want the election to be held after the required reforms. In the meantime, the Jatiya Nagorik Committee does not want parliamentary polls this year. Rather they want elections to the constituent assembly.

At this juncture, the interim government started talks from February 15 with the various political parties regarding the recommendations put forward by six reform commissions. It is not clear for how many days these talks will continue. It is expected that by means of these talks, a consensus will be reached for the implementation of the reform recommendations and a roadmap for the national election. After the fall of the Awami League government in the face of the student-led mass uprising, an interim government was formed with Prof Yunus as the head. One of the major objectives of this government was to bring about reforms in various sectors. To this end, 11 reform commissions were formed. The commissions regarding reforms related to the constitution, election system, public administration, police, judiciary and the Anti-Corruption Commission have handed their recommendations. The 'National Consensus-building Commission' formed with the chiefs of these six commissions are holding the talks with the various political parties.

Political analysts say though it is placing emphasis on reforms, the interim government is failing to bring law and order as well as other sectors fully under control. Under the circumstances, if an elected government is not installed as soon as possible, things might take a different

turn, some feel. BNP and a few other political parties have stepped up their demand for the general election. Prof Yunus has mentioned 16 December of this year as a tentative date for the national election. He has said there can be a certain degree of reforms and then the election in December 2025, or there can be more reforms and the election in mid-2026.

According to sources concerned, six months after the interim government took over power, pressure has stepped up for elections. The

National, he said he is holding the election which will be held around December this year. However, if a bit more time is given to carry out reforms, that might take three more months in the coming year. The chief adviser said this was their deadline. He said they would be satisfied to hold a credible, visible and transparent election after 16 years. The people will celebrate it and our responsibility will end, he said.

Law Adviser Asif Nazrul said, "The chief adviser from the very outset had



*"No election without reforms," said
Jamaat-e-Islami secretary general, Miah Golam Parwar*

government is now pondering over holding the election in December this year. However, no final decision has been taken in this regard. Many quarters have also been demanding that local government elections be first held and then the national election. The government has not announced any decision to this end as yet either. These matters will be decided upon during meetings between the consensus commission and the political parties.

Meanwhile, addressing a session at the World Governments Summit in Dubai on February 13, the chief adviser said his government would arrange the election as soon as possible. This might be in December this year. Later in an interview with the UAE-based media outlet The

been mentioning two timelines for the election.

One was within December 2025 and the other was within June 2016. From the chief adviser's words, it is apparent that the government's first aim will be to hold the election by December 2025 and before that to certainly reach a consensus with the political parties regarding certain fundamental reforms. If for any reason it is not possible to hold the election by December this year, it may be pushed back by two or three months, but certainly before June."

Election Commission's Preparations

The Election Commission has several times said they are preparing for the national election in December in

accordance with the chief adviser's words. EC sources say if they want to hold the election in December, they will need to complete preparations by October. Broadly speaking, the major preparations to be carried out before the election are updating the voter list, demarcating the constituencies, registering new political parties, registering observers and making the necessary procurements. This takes some time. Tasks such as recruiting and training, polling officials, preparing ballot papers, and such tasks, begin after the election schedule is announced.

Work is underway to update the voter list. This will be complete by June. But the updated data will be added to the voter list in March next year. If the election is held before that, then certain amendments to the law may be required to ensure the voter rights of those who are newly becoming voters.

EC sources say it cannot begin work immediately on certain tasks like

several amendments to the election-related Representation of People Order. They are now awaiting decisions in this regard. If a decision is taken to implement the recommendations of the reform commission, an ordinance can be passed, the laws changed and the EC can get on with the next step of its work. In the meantime, EC has asked for a Tk 28 billion (Tk 2800 crore) allocation for the national election.

Preparations In Political Arena

While putting pressure on the government to hold the elections as soon as possible, BNP is also preparing for the polls. From February 12, it launched a programme for several demands including for an election roadmap. BNP is also holding talks with like-minded parties as well as religion-based parties outside of Jamaat. BNP sources say they are holding talks basically so that the parties take up the same stance regarding the election. Understanding regarding seat sharing is also an

national election in December. This reassured the BNP standing committee. However, they cannot be fully assured until an election roadmap is announced. Speaking to the media on February 13, BNP Secretary General Mirza Fakhru Islam Alamgir said the sooner the national election is held, the easier politics will be and the people of Bangladesh will gain a sense of stability. It is important on two grounds to have the elections held soon. One is for the stability of Bangladesh and the other is for good governance.

Jamaat, which had been an ally of the BNP in the past, has also begun preparing for the polls. They have begun selecting candidates for 300 seats in the parliament. They have even announced the names of certain candidates locally. However, unlike the BNP, they are unwilling to set a deadline for the election. Meanwhile, it is not clear whether the Awami League will be able to take part in the next election or not. There are demands in the political arena to ban it or keep it away from the election after it had held three controversial and rigged elections and established an autocratic rule through enforced disappearances and killings over the past 15 years in power. BNP and Jamaat also have differences over the issue of holding the local government elections before the national election. After the meeting with EC yesterday, Jamaat's secretary general said, the people want local government elections first.

Responding to that, Mirza Fakhru told newsmen that wanting the local government elections before the national election is simply a political ploy to render the country even more unstable. While having certain differences in political views, chief coordinator of Gono Samhati Andolon Zonayed Saki is in favour of going ahead with the reforms and the election side by side. Speaking to Prothom Alo, he said elections are a part of reforms. However, certain reforms are required before the election. And an election is required



Jatiya Nagorik Committee wants reforms before the election

boundary demarcation, registering political parties and observers. The Electoral Reform Commission has certain specific recommendations in this regard. Amendments of the law and the rules will be required to implement these. The reform commission has also recommended

important part of the talks. A BNP delegation called upon Chief Adviser Prof Muhammad Yunus on February 10 to discuss the prevailing political situation. BNP sources say that during the meeting the chief advisor reassured them that the interim government has started work aimed at holding the

for certain structural reforms including the constitution.

Nagorik Committee Has Different Stand

The students who had a leading role in the mass uprising are forming a political party. This party will be launched this month. Leaders of the ADSM and Jatiya Nagorik Committee will be at the helm of this party. They want reforms before the election. From the very outset, the Jatiya Nagorik Committee and the ADSM have been calling for reforms before the election. They feel that if reforms are to be brought about in the country, the constitution must be reformed first. If the national election is held without reforming the election, the objectives of the reforms will be harmed. That is why they want the election to the constituent assembly to be held first, followed by changes in the constitution. Then the election is to be held in light of the new constitution. Convener of Jatiya Nagorik Committee Nasiruddin Parwari said, "If the parliamentary election is held without the reforms first, the blood of the July mass uprising martyrs will go in vain. If the election is held under this constitution, the election will not be credible. That is why the election to the constituent assembly must be held first. We want the constituent assembly election in December." Political analyst Mahbubullah said he personally feels that the reforms just needed for a fair election should be carried out. The elected government must certainly carry out the remaining reforms. From the overall situation, it seems that the election will be held in December-January. The interim government has made a statement to this end too. It is positive that the government and the political parties are in communication, and are holding discussions.

Hasina Oversaw July Protest Killings: UN

Ousted Prime Minister Sheikh Hasina herself had ordered the killing

of students and protesters during the July uprising, the United Nations Fact-Finding Mission said, citing senior security officials.

"...The prime minister herself told security force officials to kill protesters to quell the protests and specifically demanded 'arrest the ringleaders of the protests, the troublemakers, kill them and hide their bodies'," said the report released on February 12, quoting testimonies of officials about a meeting on July 19, 2024.

"This testimony is also consistent with Awami League secretary general and government minister Obaidul Quader telling reporters on July 19 that security forces had been given orders to 'shoot on sight', an instruction manifestly incompatible with international human rights standards," added the 114-page report.

The evening before, then home minister Asaduzzaman Khan Kamal chaired a meeting where he ordered

the heads of Police, Rab, and Border Guard Bangladesh and intelligence leaders. At the meeting, the minister told the BGB commander, in front of the other senior security sector leaders, to order the use of lethal force much more readily," the report read.

While launching the report at a press conference in Geneva yesterday, United Nations High Commissioner for Human Rights Volker Turk said, "Crimes against humanity have been committed."

"... Additional criminal investigations are warranted to determine the extent to which they [serious human rights violations] may also amount to crimes against humanity and, torture (as a stand-alone international crime), as well as serious crimes under domestic law," the report said.

"Office of the United Nations High Commissioner for Human Rights [OHCHR] has reasonable grounds to believe that these violations were



File Photo: Students and job seekers protesting for cancelling the quota system in government jobs

the Border Guard Bangladesh (BGB) to shoot using lethal weapons, and found the mission which had interviewed a participant in the meeting.

"On the evening of July 18, the then home minister chaired a meeting of the 'Core Committee', attended by

carried out with the knowledge, coordination, and direction of the political leadership and senior security sector officials, in pursuance of a strategy to suppress the protests and related expressions of dissent." ■



NSC Sales Rise To Tk 1,676cr In July-Nov

Business Outlook Report

The net sales of national savings certificates increased in July-November period of the financial year 2024-25, as many depositors turned to such stable, low-risk investment. Bangladesh Bank data showed that the net sales of NSCs hit Tk 1,676 crore in July-November of 2024, marking a recovery from a negative balance of Tk 3,858 crore in the same period of the previous year.

Bankers said that people now preferred investing in government treasury bills and bonds due to their high-interest rate earnings, with treasury bill interest rates soaring to a record 12 per cent. Many are now opting for NSCs

due to their relative safety compared to banks, they said. Throughout FY24, NSC sales were generally negative, reflecting the impact of severe inflationary pressures on household budgets. By the end of FY24, the net sales had reached a negative Tk 21,124 crore compared with those of a negative Tk 3,295 crore in FY23.

This negative trend occurred as principal repayments outpaced new sales, draining funds from the government's exchequer. Bankers said that the negative trend reflected that people were relying on their savings amid acute and prolonged inflationary pressures. The Bangladesh Bureau of Statistics reported overall inflation at 10.89 per cent

in December, staying near 10 per cent since March 2023, leaving many without extra funds for investment. Rising living costs, fuelled by an inflation rate hovering at 10 per cent since early 2023, left households with less surplus incomes to allocate long-term investments for household expenditures, they said.

The net NSC sales were Tk 8,332 crore in July-September period in 2024, which however dropped to Tk 1,676 crore in July-November 2024. Amid economic crises, the government had prioritised repayment over further borrowing through these high-interest instruments. The total outstanding investment in NSC reached Tk 3,47,945

crore in November, down from Tk 3,63,534 crore in the same period of the previous year. Bankers attributed the previous decline in NSC investments to a reduction in interest rates by 1-2 per cent on all savings certificates in September 2021.

The introduction of a maximum limit and the mandatory inclusion of national identification documents during the purchase of savings certificates had further exacerbated the decline, they said. The Bangladesh Bank has also made it mandatory to submit proof of the previous year's income tax returns for investments in procuring savings certificates worth more than Tk 5 lakh. ■

Protecting Your Money During Economic Uncertainty



Business Outlook Report

For many, a simple trip to the market has turned into an ordeal. Prices of everyday essentials are soaring, and families across Bangladesh are struggling to balance their incomes with ever-increasing expenses. Inflation is eating away at household budgets, forcing many to dip into their savings just to get by. The dream of setting money aside for the future feels increasingly out of reach. However, even during these tough times, it's crucial to keep the idea of saving alive. With careful planning, it's still possible to safeguard your financial future, even when the present is uncertain. The impact of inflation is clear in the latest Bangladesh Bank data. Between July and

November of the current fiscal year (FY25), net investment in savings certificates stood at Tk1,677 crore. However, just two months earlier, in September, this figure was Tk8,333 crore. The drastic fluctuation signals growing financial distress, with people increasingly relying on their savings to make ends meet.

The Struggle To Save

Experts warn that persistent inflation is making it harder for people to save. The Bangladesh Bureau of Statistics (BBS) reported that in December 2024, the country's inflation rate hit 10.89%, with food inflation soaring to 12.92%. When the cost of basic necessities spirals out of control, saving money can feel like an

unattainable goal. Yet, it's important to remember that even small amounts of saving can have a big impact over time. Setting aside just a portion of what remains after essential expenses could help build a buffer for unexpected expenses or future opportunities. November alone saw a worrying trend – net investment in savings certificates dropped by Tk3,431 crore, meaning more people withdrew their savings than invested. Yet, the first three months of FY25 showed a surprising surge in sales. In July and August, net sales of savings certificates stood at Tk2,187.56 crore and Tk2,036.15 crore, respectively. By September, this number had almost doubled to Tk4,109.09 crore. It appears that in times of uncertain-

ty, many seek the security of government-backed savings instruments – but for how long?

Why Are People Struggling?

Dr Zahid Hussain, former lead economist at the World Bank's Dhaka office, explains that inflation and political instability have left households financially strained. "In times of inflation, people face immense pressure. Over the past six months, political unrest has only worsened the situation, forcing many to rely on their savings just to survive," he said. Fahmida Khatun, executive director of the Centre for Policy Dialogue (CPD), points to food inflation as a key driver of the

found that hoarding, the dominance of commission agents, and inefficient agricultural practices were contributing to price volatility.

Everyday Costs Are Skyrocketing

The price of everyday goods tells the real story. Rice, a staple in Bangladeshi households, is now significantly more expensive than its Thai and Vietnamese counterparts. By mid-2023, Thai and Vietnamese rice cost between Tk55-70 per kg, while Bangladeshi Nazirshail, Miniket, and Pajam varieties ranged from Tk70-80 per kg. Other essentials have seen similarly sharp price hikes. In December 2024, soybean oil was priced at Tk128 per litre globally, but

Bangladeshis. Unless meaningful steps are taken to stabilise prices and fix supply chain inefficiencies, the financial burden on households will only worsen. That said, now more than ever, saving money – however small – is vital. It may be difficult, but small sacrifices today could lead to greater financial security in the future. Consider automated savings, reducing non-essential spending, or investing in higher-interest savings accounts to maximise the return on what you save. For now, many are left with a difficult choice – dip into their savings to survive or take on debt to keep afloat. But the uncertainty surrounding inflation is also a reminder that it's crucial to continue



crisis. "Despite efforts to control inflation, the prices of essentials remain stubbornly high due to inefficiencies in the system and the unchecked influence of cartels," she said. A recent CPD report titled "Bangladesh Economy 2024-25: Challenges in Meeting Expectations amid Crisis" highlighted major causes of inflation. Poor storage and transportation, unpredictable weather, and a flawed supply chain were all identified as major factors. The report

Bangladeshi consumers paid Tk168 per litre. Sugar was even worse – in the EU, it cost Tk41 per kg, while in Bangladesh, it soared to Tk126 per kg. Even beef, a luxury for many, was selling for Tk775 per kg locally, compared to Tk748 per kg in the global market.

What's Next For Savers?

With inflation showing no signs of slowing down, the economic outlook remains bleak for millions of

saving. The culture of saving, once deeply ingrained in society, must not be permanently eroded. Even during hardship, cultivating the discipline to save can be one of the most powerful tools for long-term financial well-being. As things stand, savings are no longer just about securing a better tomorrow – for many, they've become a lifeline for surviving today. But by saving, even in small amounts, we can still protect our financial future. ■

Industries Reeling From Persistent Gas Crisis



Business Outlook Report

Industry insiders have said that due to years of interruption in gas supply, export-oriented industries and other manufacturing units were facing an acute crisis.

They also said that the country's major industries, such as textiles, ceramics and the captive power plants of the readymade garment

industry, require a gas pressure of 15 per square inch, but they usually get 2 or 3 PSI, even sometimes zero. Factory units located at industrial hubs like Dhaka, Narayanganj, Gazipur, Narsingdi, Manikganj and Mymensingh are facing acute interruptions in the gas supply.

Moreover, the country cannot import sufficient LNG due to a reserve

crunch, said the industry people. The country requires around 4,000 million cubic feet per day (MMcfd) of gas, including imported energy. The current supply is under 3,000 MMcfd, leaving a supply deficit exceeding 1,000 MMcfd.

Showkat Aziz Russell, president of the Bangladesh Textile Mills Association, said that 50 per cent of the textile mills

had been closed due to a gas shortage. 'Our loan is becoming classified as overdue in the bank is increasing. We yet to receive any instructions from Petrobangla or any other government authority,' he added.

The government did not import fertiliser on time, and now it diverts gas to fertiliser factories, further worsening the situation. The BTMA president

urged the government to review contract signed under the previous regime according to the price index.

He also said that if the government does not take immediate action, the workers of the closed factories might take to the streets.

The ceramic industry is a fully gas-dependent process industry. Gas is considered a raw material and there is no alterna-

crore per month. Even Petrobangla couldn't share any measures or future prospects about the improvement of the situation,' he added.

Petrobangla told them that the situation may improve soon only if adequate LNG was imported or if they can explore new gas fields.

'In the last 9 years from 2015 to 2023, the authority hiked the gas price by about 345 per cent and in

Due to the interruption in the gas supply, the industry is also facing multifaceted challenges.

Md Abul Kalam, managing director of Chaity Group and panel leader of Shammilita Parishad of the Bangladesh Garment Manufacturers and Exporters Association, told New Age that due to the gas crisis, the sector's production had decreased by about 25 per cent.

Moreover, as the textile

gas uninterrupted, as they promised. In the last week of January, the apex trade bodies of the country's major four industrial sectors, BGMEA, BKMEA, BTMA and BTTLMEA, sent a joint letter to Muhammad Fouzul Kabir Khan, adviser to the Ministry of Power, Energy and Mineral Resources.

In the letter, the manufacturers said that the factories were operating on insufficient gas pressure and uncertainty and were suffering substantial financial losses.

The letter also stated that production in the industry-dense area had decreased by 50-60 per cent due to gas shortage, which has disrupted the supply chain and factories' production.

Moreover, the timely supply of raw materials to the RMG sector cannot be ensured, which disrupts timely shipments.

Recently at an event at the ERF, the energy adviser Muhammad Fouzul Kabir Khan said that the situation was unlikely to improve until new gas fields were developed in the country.

Despite repeated attempts, Petrobangla chairman Md Rezanur Rahman could not be reached for a comment regarding the situation. ■



tive fuel to gas in this sector. According to industry insiders, ceramic factories need a pressure of 15 PSI, but they experienced drops to as low as 2 or 3 PSI or even zero.

Moynul Islam, acting president of the Bangladesh Ceramic Manufacturers and Exporters Association, said that most of their factories run at 50 per cent of their total capacity.

'Due to acute gas crisis, our sector is incurring loss of nearly Tk 300

2023, they increased the price by about 150 per cent and promised us to supply uninterrupted gas, but they can't,' Moynul said.

He also said that more than 50 registered ceramic companies had suspended their reinvestments due to the gas crisis alone, including five newly established factories that could not start production.

The readymade garment sector uses gas mainly to generate captive power.

sector has been affected, the RMG sector is also facing problems getting raw materials.

'Since we generate power through gas in our sector, disruption in gas supply is also damaging our machinery, reducing its lifespan, increasing maintenance costs and damaging sensitive components,' he added.

He also said that despite increasing the price of gas by almost twofold in 2023, the authorities were not able to supply



Small Traders Seek Measures To Do Smooth Business

Business Outlook Report

Small traders have urged the government to take measures so that the small traders or shopkeepers can do their businesses smoothly, reported UNB. They made the call at a view-exchange meeting organized by the Dhaka Chamber of Commerce & Industry (DCCI) at the organization's Gulshan office on February 6. They expressed dissatisfaction over the delay in LC adjustment, unstable foreign exchange, high rate of interest on bank loans, harassment in payment of VAT payment, and complexity of the trade license renewal process.

They also hoped that the government would consider these issues. The members of DCCI and members of different market and bazar associations of Gulshan, Mohakhali, Banani, and Badda areas attended this interactive meeting. The discussion covered various pertinent issues like the recent hike in VAT and tax, the law and order situation, customs,

traffic congestion, the high price of dollars, trade license renewal fees, etc. Speaking at the event, DCCI President Taskeen Ahmed said: "Due to the challenging situation of global trade, our entrepreneurs are facing an increasingly difficult situation to survive in the competition, as well as the complexity of tax and VAT system." The DCCI president also said that due to the recent unstable law and order situation and deteriorating traffic situation, the conducive environment for trade and investment is being hampered. Ahmed also said limited access to credit for SME entrepreneurs, high rates of interest on loans, and unstable dollar rates are hampering local industrialisation.

Md Sayedul Islam, additional director, Foreign Exchange Policy Department of the Central Bank, Mohammad Ariful Islam, first secretary of NBR (VAT Implementation), and Md Tarek Mahmud, deputy commissioner of police

(DMP), Gulshan Zone, was present on the occasion. Md Sayedul Islam said that the fixation of LC margin actually depends on the relationship between the bank and the customer and the issue of LC margin is not the same for all products as well. Deputy Commissioner of Police (Gulshan Division) Md Tarek Mahmud said that after the recent political transformation reform in the police department is also going on. NBR secretary Mohammad Ariful Islam said the NBR has been given a large revenue target to collect which is a challenging task indeed.

He therefore sought cooperation from all including businessmen to achieve this challenging target. Md Abu Taher, vice-president of Gulshan-1 DNCC South Paka Market Traders' Association, DCCI Senior Vice President Razeev H Chowdhury, Vice President Md Salem Sulaiman was also present at the meeting. ■

Regulator Seeks Power To Discipline Errant Insurance Companies



Business Outlook Report

In insurance regulator now wants requisite power to adequately punish errant insurers for bringing them under control in the wake of widespread allegations of noncompliance, especially non-settlement of huge claims of policyholders.

To this end, the Insurance Development and Regulatory Authority (IDRA) will soon send a proposal to the government for amendment of the Insurance Act 2010, officials have said. They say the interim government appointed Dr M Aslam Alam chairman

of the IDRA in September last following the August regime change. Recently, the Financial Institutions Division (FID) under the Ministry of Finance instructed Authority to expedite efforts to lessen the number of unsettled insurance claims.

However, the IDRA chairman informed a recent meeting at the FID that the regulator lacked necessary power under the current insurance law to take actions against errant insurers. Contacted, FID secretary Nazma Mobarek recently said that the IDRA chairman informed her

about the lack of authority to enforce orderliness in the insurance sector. "We have asked IDRA to send proposal for making necessary amendment to the insurance act to empower the regulator," she said.

At the end of September quarter, some Tk 33.90 billion worth of claims remained unsettled in life-insurance sector while in non-life sector the unsettled-claim amount stands at Tk 28.25 billion. In the non-life-insurance sector, some 16,664 claims piled up. Officials say the regulator receives scores of complaints regarding

non-payment of claims everyday and forwards to the companies concerned for taking necessary steps. However, the insurance companies hardly pay any heed to regulator's instructions

The IDRA chairman, Dr M Aslam Alam recently said that problems in life-insurance sector reached an "intolerable level" as thousands of insured are not getting their claimed funds. Many companies are not paying them the money for years. He said some people blame the IDRA for not giving required attention to

resolving the insurance-sector problems. "Maybe, it is true to some extent but not as a whole." "But, legally IDRA has some limitations. In many cases it was found that the insurance companies did not obey IDRA's intervention. We could not force them to follow our intervention," he said.

Mr Alam mentioned that his predecessor had been forced to resign by people of only one insurance company. "Many insurers take the advantage of legal loopholes, which is not in favour of interest of the insured," he said. He said first and second years' premiums of insurance policy are "lucrative" for insurance agents as they can keep as high as 90 per cent as agency cost. From the third year, according to the rules, the agency commission goes down drastically and so they feel discouraged from continuing the policy and give efforts to get new policies to get higher commission. "Due to this provision thousands of policies lapse before reaching the third year," he said about the insurance imbroglio, adding: "Now we plan to lower the initial years' commission and introduce a flat rate for the entire policy tenure so that the agents engage similar efforts throughout the policy lifetime."

Mr Alam said in the case of one violation of rules for one particular incident, the IDRA can penalise up to Tk 0.5 million. "In some cases, it was found that some insurers had made

millions of taka through violation of rules but we could not penalise them more than Tk 0.5 million," he said. The errant insurers are happy to pay the tiny amount as they can legalise the unlawfully-earned millions this way, he notes. "Insurers are thus not afraid of our actions as the penalty is very small."

Mr Alam said the watchdog has the capacity to cancel licence of an insurer but that is "very extreme intervention" where many things are related. Fate of thousands of employees,

finances imposed on them, as seen by the new chief of the regulator.

In case of massive violations, the IDRA can suspend the board of directors and appoint an administrator but cannot dissolve or recast the board. Running a big financial company through one administrator may result in massive irregularities. "IDRA should have power to dissolve board and appoint an interim board in the errant companies." Mr Alam thinks that the IDRA should have power

rule-making authority which the central bank and the Securities and Exchange Commission have. It needs to go to the government for preparing any rules or regulations, which is a big impediment. "Even if we want a small amendment, we need to wait at least a year."

He goes on listing the must-haves: "We want such a legal reform that can help make IDRA effective and resolve the longstanding problems in insurance sector." Contacted, Nasir Uddin Ahmed (Pavel),



insurance policyholders, and financial issues is involved with this.

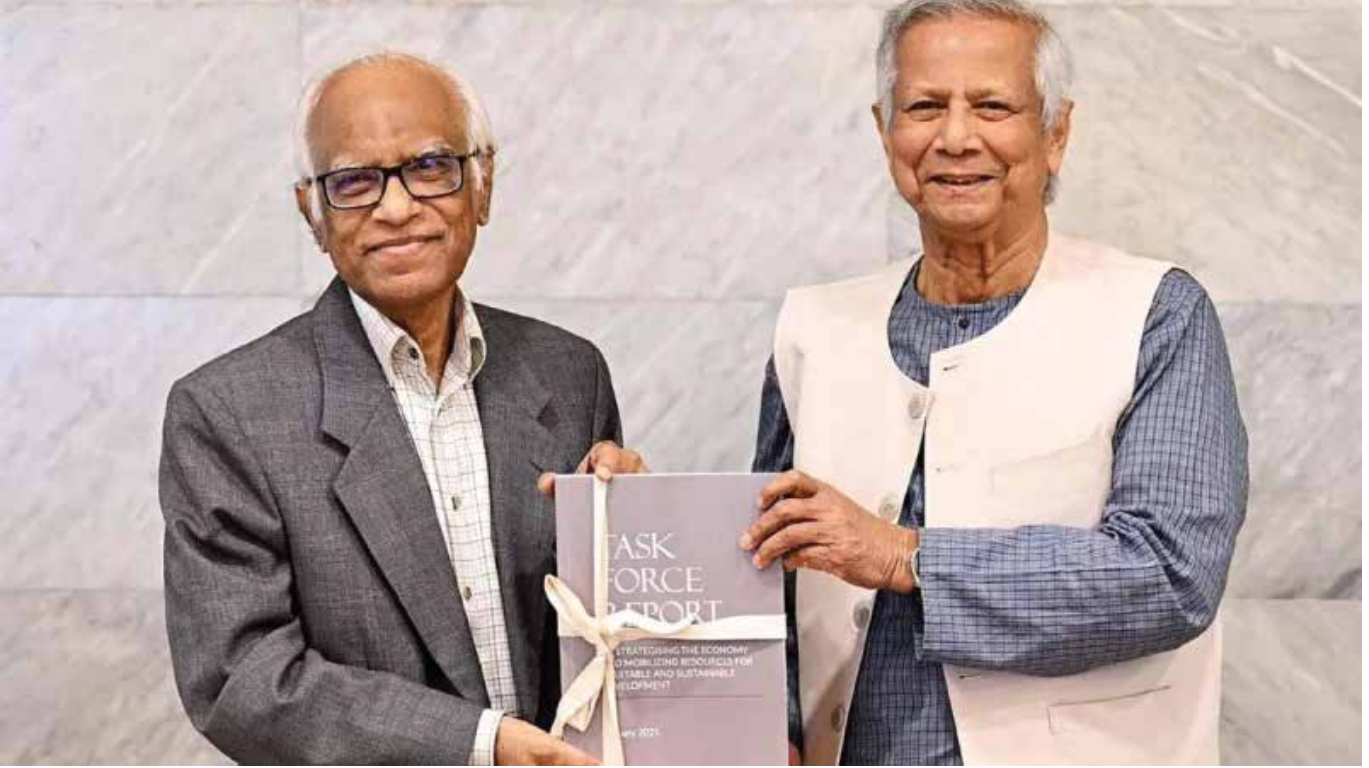
He said taking IDRA's approval is necessary to appoint chief executive officer and adviser in an insurance company. However, if it raises objections for any particular person for such post, they appoint them as consultant. "We want to make IDRA's approval mandatory for appointment to any senior management post." Many companies even do not make payment against

like another regulator, the central bank, in matters like shareholding and directorship by one family, appointment of directors, independent directors, appointment of CEO with suitable educational backgrounds, and appointment of deputy managing directors and additional managing directors.

The IDRA now plans to make 'diploma in insurance' mandatory to get appointed in senior management. Also, he said, the Authority has no

president, Bangladesh Insurance Association (BIA), said that the insurance act had not been amended for long. "The government can amend insurance act for the greater good of the sector, but holding prior consultations with the stakeholders before that will make it more effective," he said.

Mr Pavel feels that not only the provision of penalty, there are many other areas where changes can be brought. ■



Will Taskforce Recommendations Gather Dust Again?

Apu Ahmed

A taskforce has recently put forward a comprehensive set of 33 recommendations to revitalise Bangladesh's economy, which was almost ruined by the Awami League government during its long 15 years of rule. However, concerns remain about whether these suggestions will be implemented or they will suffer the same fate as previous reform efforts.

Cases For Piloting

The Taskforce on Re-strategising the Economy and Mobilising Resources for Equitable and Sustainable Development has suggested piloting five projects aimed at public hospital reform, rural school and clinic reform, reform of the Bangladesh Road Transport Authority, revitalising the Buriganga River and reforming a ministry in its report dealing with 'Recommendation

Highlights'. It has called for a specific public hospital in Dhaka to be piloted with new management -- under qualified hospital administrators in place of generalists -- in addition to implementing a real-time monitoring dashboard based on users' complaints.

Save Buriganga

Similarly, the 12-member taskforce, led by KAS Murshid, former director general of the Bangladesh Institute of Development Studies, has proposed initiating a pilot project focusing on reforming a rural government school along with a community clinic and reforming the Bangladesh Road Transport Authority. "Let the restoration of Dhaka begin with its rivers," said the taskforce highlighting the need to revitalise the Buriganga River, feared to be on the brink of extinction against the backdrop of neces-

sary urgent actions imperative for the survival of both the river and Dhaka. For reforming a ministry, it has strongly suggested that an entire ministry of the government be taken up on a pilot basis to establish a monitoring and evaluation system that will serve to generate critical key performance indicators in real-time to allow the top leadership to quickly review performance of projects and programmes being carried out by it and its different departments, directorates and divisions.

Second Biman

Next, the taskforce has suggested the establishment of five new institutions, including building Centre of Global Excellence, reassessing Bangladesh Biman, Establishing the Centre for Social and Behavioural Change Communication, and creating the Regulatory Reform Com-

mission and the National Board of Revenue oversight committee. Noting that Bangladesh Biman, the national airliner, has failed to meet modern aviation standards, the creation of an entirely new airline utilising half of Biman's existing assets, but managed by an independent, world-class management company, has been suggested. Besides, a high-powered committee should be immediately constituted with proportionate representation from the private sector, civil society and government to assess, evaluate and recommend to the Chief Adviser how the NBR should be restructured to remove inconsistent, arbitrary and discriminatory policy or regulatory barriers related to customs, value-added tax and taxes.

Shift Capital

To improve urban transport, the taskforce under the Ministry of Planning has suggested implementing automatic traffic signalling and transitioning to a single-operator bus franchise in the 'Recommendation Highlights', while one of its 18 detailed topics, 'Infrastructure and Connectivity: A Pathway to Economic Prosperity' has wanted to shift the capital city of Dhaka facing the significant challenges that undermine Dhaka's ability to function as a modern and liveable capital. The city suffers from a poorly designed road network, covering only 7 per cent of the area, with an absence of hierarchy among primary, secondary and tertiary roads, and a lack of arterial routes. Traffic management systems remain outdated, with no implementation of modern solutions such as one-way traffic flows, tidal traffic management, road pricing, or mass transit infrastructure, including terminals or multimodal transport hubs. The already tangled multi-modal transport system is further complicated by approvals for additional railway tracks and multiple flyovers, all while chaotic and dysfunctional traffic operations

persist. Moreover, capital-intensive flyovers have caused irreversible damage, significantly limiting the potential for future mass transit improvements.

Revitalise SEZs

The taskforce highlighted seven suggestions out of its detailed discussions manufacturing, investments, exports and Foreign Direct Investment. The suggestions include cherry-picking, enhancing the One Stop Service system, encouraging FDI in the health sector, FDI in technical and vocational education, pursuing economic diplomacy for enhanced market access, seizing opportunities for skilled labour



exports, and revitalising special economic zones. The SEZs have garnered considerable political and media attention in Bangladesh; however, actual progress towards their establishment and full operationalisation has been meagre. The upcoming critical phase involves selecting a handful of SEZs and ensuring they deliver meaningful results in terms of attracting investment, fostering foreign direct investment, and promoting exports. Historically, several reasons such as bureaucratic hurdles, inadequate infrastructure and unclear policies have hindered the successful execution of SEZs. It is imperative that the government address these issues head-on to streamline the process

and establish clear precedents for attracting investment.

Anti-Goon Squad

There are nine recommendations put forward for the 'Crosscutting Actions'. They are leveraging digital and AI technology across sectors, reducing the digital divide, reforming the planning process, professionalism of leadership positions, combating everyday extortion, improving government efficiency, implementing NID-based open data platforms, establishing emergency reserves and removing political influence from the banking sector. A recurring and significant issue faced by citizens in accessing public

services such as purchasing train tickets or obtaining passports is the prevalence of extortion. This deeply entrenched problem extends beyond public services into markets, transportation systems and construction sites. To address this urgent concern, the taskforce has strongly recommended the establishment of an independent 'Anti-goon Squad'. This dedicated unit could operate within the public sector or be outsourced to private security firms, provided there are robust safeguards to prevent misuse. Moreover, monitoring and oversight by youth and citizen groups must play a central role in ensuring the squad's effectiveness. Continuous fine-tuning and adjustments to its operation-

al procedures will be necessary to keep the initiative responsive to emerging challenges. Utilising degraded land for solar energy, exploiting existing gas fields, regulating sand extraction, streamlining public service call centres and establishing a 'Dhaka Haat' for small and medium enterprises have been suggested for 'Miscellaneous Actions'.

Are Bureaucrats Misnomer?

Except for a few such as the Anti-goon Squad, FDI in a private hospital and a separate Biman entity, most of the other recommendations have long been ventilated through

newspaper articles, seminars and symposiums. The call for shifting Dhaka seems to have entered into a public document for the first time. The previous AL regime has failed to carry out any reforms resulting in the problems piled up before one of those burst and culminated in the July Uprising. The recommendations given by the taskforce are imperative. The current interim government or the upcoming political government needs an active role of bureaucracy to implement most of them. Like a section of bureaucrats who were beneficiaries of the ousted AL misrule and were preventing the much-needed reform

will also remain active in the present government and the new government to come. It should be recalled that economist Rehman Sobhan under acting president justice Shahabuddin Ahmed in 1990-91 after the fall of military dictator HM Ershad in the wake of the anti-authoritarian movement set up 29 taskforces. Around 250 of the most able talents in Bangladesh worked together to provide extremely valuable recommendations for policy reforms to serve the newly elected government. But their dedicated efforts were largely ignored by the government, which was formed later. ■

Duty Hike: Fruit Traders Halt Imports Through Benapole



Business Outlook Report

Traders have suspended the import of fruits through Benapole land port for an indefinite period protesting the government's decision to impose additional import duties. No fruit-carrying trucks have entered the port since Tuesday morning as per the importers' decision. The move came after the

government raised the supplementary duty on imported fresh fruit from 20% to 30% on 9 January. Importers said the additional duty has made fruit imports unfeasible, leading to the drastic step of halting imports altogether. Fruit importer Abdul Mannan said that the Bangladesh Fresh Food Association had previously urged the

government to withdraw the additional duty. As their demand was not met the traders decided to stop fruit imports indefinitely. "If the duty is not withdrawn before Ramadan, it will significantly impact the market. Fruit prices will skyrocket beyond the purchasing power of ordinary people," Mannan said. The suspension will

also hit government revenue hard, said Benapole Import-Export Association President Alhaj Mohsin Milon. Government earns approximately Tk25 crore in daily revenue from fruit import through Benapole. The increased duty has already led to a sharp decline in fruit import across the country, causing supply shortages and rising prices in the market, he added. Benapole Customs House Joint Commissioner Sushanta Pal said no fruit-laden trucks have entered the port since February 4 in the morning and the number of fruit trucks entering the port daily had already halved before the suspension. "If this situation continues, fruit prices during Ramadan will go beyond reach for the general public," he added. ■



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Meeting Trump: Modi In Deep Shock

Apu Ahmed

Indian Prime Minister Narendra Modi's recent visit to the United States at the invitation of US President Donald Trump came against the backdrop of a series of unpleasant matters from the point of view of New Delhi. It seems that the disappointment of Delhi has grown after getting a cold shoulder from Washington regarding issues linked to Bangladesh.

Shocking For Delhi

New Delhi was shocked when Trump invited Chinese President Xi Jinping to his inauguration in January leaving out Modi. The Indian media reported that External

Affairs Minister S Jaishankar had camped in Washington for days to obtain an invitation for Modi but without any success. However, the disappointment seemed to have decreased after Trump invited Modi to visit him. Trump's subsequent decisions on illegal migrants and tariffs upset the India-US apple cart and cast a shadow on Modi's visit, said a report by Eurasia Review, an independent Journal that provides a venue for analysts and experts to disseminate content on a wide range of subjects.

Three Concerns For Delhi

India now has three main concerns vis-à-vis the US: illegal immigrants,

threatened tariffs and the US-India Defence Act. The most immediate one, from Delhi's point of view, is the high-handed and almost inhuman way in which illegal Indian immigrants have been deported -- chained, shackled and bundled into a US military aircraft. These had indulged in illegality by entering the US clandestinely, but are not hardened criminals to be chained throughout a 40-hour journey to India. New Delhi played down the episode first but soon agreed to take up the matter with the Trump administration.

King Of Tariff

The second key issue Modi may

have raised with Trump was his threat to impose killing tariffs on Indian products. India's exports, especially in IT and pharmaceuticals could face the heat. A high tariff on Indian exports is very much on the cards as Trump has already called Modi 'king of tariff'. Trump's other aim is to narrow trade imbalances such as those that the US has with China and India. India's merchandise exports to the US account for over 18 per cent of its total exports. In 2024, India-US bilateral trade amounted to \$118.2 billion. India's exports to the US were \$77.5 billion, while the US exported \$40.7 billion worth of goods to India resulting in a US\$36 billion surplus for India.

US-Indo Defence Pact

The third area that Modi could take with Trump may not be of imme-

US Secretary of State Marco Rubio was a Senator, he presented a bill that was after India's heart -- the "United States-India Defence Cooperation Act". The Act has yet to be passed. It is very likely that Modi will urge Rubio and Trump to pass it to seal the India-US defence relationship. However, Trump will demand reciprocal commitments from Modi regarding America's defence interests vis-à-vis China. India will have to be cautious, as traditionally, it has been non-aligned and is not eager to go for a hot war with China, whose economy is five times India's.

Imminent Sanction

Modi's visit has also taken place after the US president's recent move to revoke a sanctions waiver for Iran's Chabahar Port which has cast

the only deep sea port in Iran, located beyond the Strait of Hormuz. India, through a special purpose vehicle, Indian Ports Global (IPG), holds 10-year concession rights at Chabahar for the operation of some cargo berths, including for containers, in return for a \$120m investment in the port's modernisation and extending a \$250m credit line for other infrastructure upgrades in and around the harbour. According to reports, Trump last week signed an executive order seeking to reimpose "maximum economic pressure on Iran", Tehran's nuclear programme being at the heart of US concerns. Additionally, India and Russia had been pushing for the expansion of the INSTC to keep bilateral supply chains running in the wake of Western sanctions on Russia over the Ukraine conflict. Trade volumes between the two countries saw a five-fold increase over the past five years, hitting \$66 billion in 2024, according to available data.

Chabahar, Kaladan Almost Dead Issue

India's interest in Chabahar was regarded as a counter to China's expansionist policies in the region, but local trade and other industry experts now believe geopolitical developments could derail that, or at least keep them in limbo. Another report from civil war-hit Myanmar says the victory of the Arakan Army over the junta military in Rakhine helped it secure China's major investments and India's Kaladan Multi-Modal Transit Transport Project there. India took the project to establish a sea route between mainland India and its northeast states via Myanmar and bypassing Bangladesh. However, the AA still remembers how on February 11, 1998, the Indian military launched a brutal operation on Landfall Island in the Andaman Sea, arresting at least 73 people, and killing at least six including the AA commander Gen Khiang Raza and



Indian Prime Ministers Office, Delhi

diate importance but is critical for its security and its geopolitical interest in the middle and the long run. India needs a firm defence pact with the US to keep China at bay. The growing rapprochement between post-Hasina Bangladesh and Pakistan is also worrying New Delhi. In July 2024, when present

a shroud of uncertainty over the future of the International North South Transport Corridor (INSTC). Delhi has been a vocal proponent of the INSTC, a Central Asia-centric multimodal transport channel for regional trade development, which depended on the country's strategic investment at

Maj Soe Tun and two leaders of the Karen National Union.

Delhi Becomes Friendless

In a recent report, Japanese media outlet Nikkei Asia criticised India's foreign policy, claiming that it has led to the country's increasing isolation in South Asia. The report suggests that India's diplomatic strategies under Prime Minister Narendra Modi's government have backfired, leaving the nation with few allies in its own neighbourhood. The Nikkei report highlights strained relations with key regional players like Nepal, Bangladesh and Sri Lanka, countries that have traditionally maintained close ties with India. These tensions have reportedly been fuelled by a combination

of internal political dynamics, mismanagement of regional partnerships and India's perceived alignment with global powers like the US and Japan. The Nikkei report concludes by urging India to recalibrate its foreign policy and restore ties with its South Asian neighbours. It argues that a more balanced and inclusive approach to regional diplomacy, combined with efforts to counter China's growing influence, is crucial for India to regain its position as a regional leader.

No Deep State Role

Indian Prime Minister Narendra Modi conveyed India's "concerns" about the evolving situation in Bangladesh during his meeting

with US President Donald Trump. An interim government headed by Chief Adviser Prof Muhammad Yunus has been in charge in Dhaka since the fall of the Sheikh Hasina-led government on August 5, 2024. On January 14, the issue came up when Modi and Trump interacted with the media in the US capital. In response to a question on the possible role of the US as a 'deep state' in the downfall of the Hasina government, Trump said, "There was no role for our deep state. This is something that the Prime Minister has been working on for a long time. I will leave Bangladesh to the Prime Minister." Modi, however, chose not to address the Bangladesh issue as it seemed that he was in deep shock. ■

No Load Shedding Expected In Ramadan



Power, Energy and Mineral Resources Adviser Muhammad Fouzul Kabir Khan on February 5 hoped that there would be a power outage during the month of Ramadan. "A plan was taken to keep the country free from load shedding during the Ramadan. But some areas of the country might experience load shedding during the summer," he said. Addressing an

inter-ministerial meeting on power and energy supply during the upcoming Ramadan and irrigation season at Bidyut Bhaban, he said load shedding occurs due to various reasons. "We have given instructions to avoid load shedding except for technical reasons," the adviser said. He said that the electricity demand during the summer and irrigation

season has been estimated at 18,000 MW, out of which 6,000 MW is required for the cooling (AC) system. "Around 900 million cubic feet per day (mmcf) gas is now being supplied for electricity generation, which will be 1200 mmcf during Ramadan to produce additional electricity, Fouzul Kabir said. The adviser said that the gas supply will be 1100

mmcf from April to September (Summer Season). During the Ramadan, the electricity demand will be 15000 MW. But we have made preparations for an uninterrupted power supply. If we can keep the AC temperature up to 25 or 26 degrees Celsius level, the demand will be reduced by 2000 to 3000 MW. And then there will be no need for load shedding, he said. Fouzul Kabir said that load shedding happens due to a shortage of primary energy supply and technical reasons. Meetings with concerned departments were held to ensure sure availability of funds and got assurance to procure necessary fuels for power generation during Ramadan. ■

Initiatives Taken To Diversify Jute Products



Business Outlook Report

Textiles and jute adviser Sheikh Bashir Uddin on Wednesday said that initiatives had been taken to diversify jute products while the problems surrounding the jute sector would be resolved very soon.

He came up with such remarks at the inauguration of the four-day multipurpose jute products fair organised jointly by the Department of Jute and the Jute Diversification Promotion Centre (JDPC) held at Laboni Point in Cox's Bazar sea beach on Tuesday, said a commerce ministry press release on February 5. The fair is

being organised with the slogan 'Come and change the country, change the world.' Bashir said that the government had been organising diversified jute fairs at different places of the country while the month-long Dhaka International Trade Fair 2025 ended successfully a few days back.

Being inspired from that, the fair on jute products is being organised in Cox's Bazar. The participants at the fair are happy and they are hoping for growth. The government is also making necessary arrangements for imparting them training. Mentioning that more fairs will be organised at

the divisional and district levels, Bashir mentioned that the problem related with the materials for manufacturing jute products would be resolved. Reassuring that the prices of commodities would not increase during the ensuing holy month of Ramadan, Bashir, also in charge of the Ministry of Commerce, said that a detailed discussion was held recently in this regard at a business conference.

'Everyone is working together. So, I hope that the prices of goods in the market will not increase by any means during Ramadan. The supply of oil, sugar, dates, chick-

peas, fish, chicken, eggs and seasonal vegetables will remain intact,' he added. Director (administration) of the Department of Jute Satyakam Sen, deputy commissioner Mohammad Salahuddin and superintendent of police Muhammad Rahmat Ullah were present on the occasion.

Earlier, the adviser visited various stalls at the fair and talked to entrepreneurs about the potentials of jute products. There are some 33 stalls at the fair while the fair will remain open from 4:00pm to 8:00pm every day until February 8. ■



The 754th board meeting of Southeast Bank was held. The meeting was presided over by the bank's Chairman M.A. Kashem. ■



A meeting to review the progress of development projects under the Local Government Engineering Department (LGED) was held at the LGED Headquarters. Chief Engineer of LGED Md Abdur Rashid Mia presided over the meeting. ■



Member of BEPZA Ashraf Kabir and Chairman of Lee's Tobacco Machinery Company Limited Li Meng signed an agreement in presence of BEPZA Executive Chairman Major General Abul Kalam Mohammad Ziaur Rahman. This agreement marks the establishment of the first machinery manufacturing industry in the BEPZA Economic Zone, further enhancing the zone's diverse product line. ■



Prime Bank recently partnered with Edison Real Estate to provide exclusive benefits to its customers at the realtor's office in the capital. Prime Bank customers will enjoy special discounts when purchasing property from Edison's prestigious Hermia, Adriana, Iris and Orleans Project. Prime Bank Deputy Managing Director Md. Nazeem A. Choudhury and Edison Real Estate Chairman and CEO Md. Aminur Rashid took part in the signing ceremony. ■



Sonali Bank PLC has launched a special 100-day programme beginning February 5, aiming to achieve major breakthroughs across all business indicators and meet the targets for 2025. MD & CEO Md. Shawkat Ali Khan inaugurated this initiative at the head office of the bank. The MD & CEO urged all employees to work relentlessly to achieve at least 40% of the target through the 100-day programme. Deputy Managing Director Subhash Chandra Das presided over the event. ■



Dhaka WASA, Dushtha Shasthya Kendra (DSK) and Water Aid Bangladesh organised an 'Honorary Crest Distribution Ceremony 2025' for ideal subscribers from low-income areas at the WASA Bhaban at Karwan Bazar in Dhaka. Additional Secretary and Managing Director of Dhaka WASA Md Fazlur Rahman was present as the chief guest. ■



Janata Bank PLC has launched a deposit scheme titled 'Janata Bank deposit Pension Scheme (JBDPS)'. Managing Director Md. Golam Mortuza inaugurated the new scheme. Under the scheme, customers can deposit amounts ranging from Tk 500 to Tk 25,000 on a monthly basis for a term of 5 or 10 years, with an annual profit rate of 10 per cent. ■



Mutual Trust Bank (MTB) unveiled its new logo at 'MTB Annual Town Hall 2025', hosted with the theme 'Navigating Challenges, Building Trust'. The recent meeting at a venue in the capital brought together about 3,000 employees from across the country. MTB's Founding Chairman and also the current Chairman Syed Manzur Elahi joined the event online and launched the new logo. ■



Member of BEPZA Md Ashrafur Kabir and Managing Director of Anthente Bulk Bag Ltd Ma Xiaoming signed an agreement at the BEPZA Complex in the city recently in presence of BEPZA Executive Chairman Major General Abul Kalam Mohammad Ziaur Rahman. The Chinese company plans to produce 2.8 million pieces of Flexible Intermediate Bulk Containers (FIBC) bag, bulk bag, woven and non-woven bag annually, creating employment opportunities for 1150 Bangladeshi nationals. ■



The two-day 'Shah Abdul Karim Loko Utshob-2025' was celebrated with timeless folk melodies, paying tribute to the legendary Baul Samrat, Shah Abdul Karim. The festival was held at Ujandhal in Derai, Sunamganj, organised by Shah Abdul Karim Parishad with the support of bKash. ■



BRAC Bank partnered with Grameen Healthcare Services Limited to provide free eye care and screening to over 42,000 underprivileged people in Bogura and Thakurgaon. BRAC Bank Managing Director and CEO Selim RF Hussain and Grameen Healthcare Managing Director Shamsul Haque Ahmed signed the partnership agreement at Grameen Healthcare's head office. ■



Eastern Bank (EBL) will manage toll collection and deposit of Shaheed Wasim Akram Flyover (Chattogram Elevated Expressway) in Chattogram. Chattogram Development Authority (CDA) Chairman Engineer Md Nurul Karim and EBL Managing Director and CEO Ali Reza Iftekhar signed an agreement to this effect at Hotel Agrabad, Chattogram. Project Engineer Md Mahfuzur Rahman and CDA Secretary Rabindra Chakma were present at the signing event, among others. ■

Highway Extortion Surges Across Country Threatening Economy



Business Outlook Report

Extortion on highways across Bangladesh has reportedly increased in recent months, posing severe threats to commuters, transport workers and businesses dependent on road transport. Despite efforts by the government, the illegal practice continues unabated, raising significant concerns regarding public safety and the nation's economic stability. Reports indicate that organised groups, allegedly with links to influential local figures, are operating extortion rackets at various points along national and regional highways. These groups primarily target trucks, buses and other commercial vehicles, coercing payments from drivers. Those who refuse to comply face harassment, intimidation, and, in some cases, physical assaults. This surge in extortion is taking a severe toll on transport workers and businesses, increasing the cost of goods and services due to additional financial burdens on logistics

operations.

TIB Study Exposes Rampant Corruption

A study by Transparency International Bangladesh (TIB), published on 5 March 2024, revealed that private buses and minibuses pay nearly Tk 1,059.37 crore annually in extortion money.

Political affiliates, highway police personnel, city corporations Bangladesh Road Transport Authority (BRTA), and municipal officials have been implicated in collecting these illicit payments. According to the study, BRTA officials and employees receive the highest share, exceeding Tk 900 crore, in bribes for vehicle registration, certification, and renewal processes.

Although law enforcement agencies claim to be taking measures to control extortion, little progress has been made in curbing the practice, leaving commuters and transport workers vulnerable.

Protests Against Extortion Intensify

Growing frustration among transport workers has led to several protests across the country. On 7 January, battery-run auto-rickshaw drivers in Sherpur upazila, Bogura, blocked the Dhaka-Bogura highway, causing a three-kilometre-long traffic jam.

The protestors demanded an end to extortion and urged authorities to intervene. Similarly, on 2 February, members of the Light Vehicle Drivers' Owners' Association formed a human chain on the Dhaka-Chattoogram Highway in Cumilla's Elliotganj. They protested against extortion, car theft, and highway robberies, leading to discussions with highway police officers. The protest was called off after assurances were given that their concerns would be addressed.

Industry Leaders Voice Concerns

Tofajjol Hossain, President of the Bangladesh Truck-Covered Van



Owners' Association, expressed concerns over the resurgence of highway extortion, noting a significant decline in such activities following the political changeover on 5 August last year. But he claimed that extortion has intensified in recent months. "Before 5 August last year, extortion activities were primarily carried out by the then-ruling Awami League and its affiliate organisations. Now, reports suggest that BNP and its affiliated groups are involved in these illegal activities," he alleged. He pointed out that extortion hotspots include Karwanbazar, Gabtoli, Aminbazar, Chankharpul, Kanchpur Bridge in Narayanganj and Haji Ganj in Chandpur, affecting daily transport operations. Ashis Kumar Dey, General Secretary of the National Committee to Protect Shipping, Roads and Railways (NCPS-RR), echoed similar concerns, stating that despite a change in government, highway extortion remains unchecked. He warned that as transport costs rise

due to extortion, both passenger fares and goods prices will increase, burdening the general public. He outlined key measures to combat extortion, including a strict government stance backed by political will, police reforms and training to change their mindset, strict law enforcement free from political influence, and the professional development of transport owners and labour leaders without political affiliations.

Experts Call For Urgent Reforms

Dr Kazi Saifun Newaz, Associate Professor at the Accident Research Institute of Bangladesh University of Engineering and Technology (BUET), highlighted the role of powerful individuals in highway extortion. "Even when complaints are lodged, police find it difficult to take action due to political influence," he said. Dr Newaz emphasised the need for police reforms, arguing that promotions and postings should be based on merit rather than political considerations, and called for

undercover investigations and the use of hidden cameras by law enforcement officers to identify corrupt practices.

Highway Police Deny Allegations

Deputy Inspector General (DIG) of Bangladesh Highway Police (Operations), Shafiqul Islam, dismissed allegations of widespread police involvement in extortion. "I personally visited two locations, one in Cumilla and another at Mawna Chowrasta in Gazipur, where protests were held. Transport workers accused the police of extortion, but in reality, many of these complaints came from drivers of auto-rickshaws and smaller vehicles that are prohibited on highways," he said. He argued that allegations against the police stem from enforcement actions against unauthorised vehicles. "While silent extortion does exist, it is challenging to control. However, we are taking action against any complaints brought to our attention," he added. ■

China Hits Back At US With Levies As Trump Tariffs Come In Force



Business Outlook Report

China said on February 5 it would impose tariffs of 15 percent on imports of coal and liquefied natural gas from the United States, in retaliation for Washington's 10 percent levies on Chinese goods.

Beijing's finance ministry also unveiled 10 percent tariffs on imports from the United States of crude oil, agricultural machinery, large-displacement vehicles and pickup trucks. The new measures were in response to the "unilateral tariff hike" by Washing-

ton over the weekend, Beijing said. US President Donald Trump on February 1 announced sweeping measures against major trade partners including Canada and Mexico, with goods from China facing an additional 10 percent tariff on top of the duties they already endure.

Trump said the measures aimed to punish countries for failing to halt flows of illegal migrants and drugs including fentanyl into the United States. The US move, China said, "seriously violates World Trade Organization rules,

does nothing to resolve its own problems, and disrupts normal economic and trade cooperation between China and the United States".

Beijing's tariffs, which come into force next February 3, were announced shortly after Trump said he would hold a call with President Xi Jinping in the next 24 hours.

Canada, Mexico Deals

Mexican President Claudia Sheinbaum and Canadian Prime Minister Justin Trudeau had both

earlier struck last-minute deals with Trump to tighten border measures against the flow of migrants and fentanyl into the United States, leading to a 30-day pause on threatened tariffs.

Asian equities spiked February 4 on news of the paused tariffs, and hopes that similar negotiations could relieve the levies against the world's number-two economy provided extra optimism. However, traders pared some of those gains as China unveiled its measures. Global stock

markets had slumped on February 3 as Trump's threat of sweeping 25 percent levies on imports from Canada and Mexico sparked fears of a global trade war. Trump said that after "very friendly" talks with Sheinbaum he would "immediately pause" the tariffs on Mexico, and that

officers to help secure the border, list drug cartels as terrorists, appoint a "Fentanyl Czar" and crack down on money laundering. It was not clear the real extent of the changes on the Canadian border, given that authorities said in December they already had 8,500 personnel

Canada.

51st State?

Ottawa had vowed to respond strongly to the tariffs. Canadians have booed the US national anthem at sporting events, cancelled holidays in the United States and boycotted American products. Its

Canadians now face elections as early as April. Mexico has meanwhile been under heavy pressure to secure its border with the United States as Trump vows a massive crackdown on undocumented migrants. The US president -- who has said that the word "tariff" is the



his counterpart had agreed to send 10,000 troops to the US-Mexico frontier.

'Not A Trade War'

Tensions appeared higher between the United States and Canada -- but after two calls with Trudeau, Trump said on Truth Social that the prime minister had "agreed to ensure we have a secure Northern Border, and to finally end the deadly scourge of drugs like Fentanyl!". Trudeau said Canada would deploy nearly 10,000 frontline

deployed. Canada, China and Mexico are the United States's three biggest trading partners. The White House said earlier there had been a "heck of a lot of talks" over the weekend. "This is not a trade war, this is a drug war," National Economic Council Director Kevin Hassett told CNBC, complaining that "the Canadians appeared to have misunderstood the plain language". However, US government figures show that only a minimal quantity of drugs enter via

most populous province Ontario on February 3 had banned US firms from bidding on tens of billions of dollars in government contracts -- and dumped a deal with Trump ally Elon Musk's Starlink. Trump has upped the pressure recently by calling Canada's existence into question -- once again advocating on Monday for it to become the 51st US state. A political crisis in the Canadian government over Trump's tariff threats led to Trudeau announcing he would resign.

"most beautiful word in the dictionary" -- is going even further in his second term on the levies than he did in his first. He has insisted that the impact would be borne by foreign exporters without being passed on to American consumers, despite most experts saying the contrary. But the billionaire 78-year-old did acknowledge as he returned from a weekend at his Florida resort that Americans might feel economic "pain". ■



Trump Says Nippon Steel Will Invest In US Steel, Not Buy It

Business Outlook Report

US President Donald Trump said Nippon Steel's \$14.9 billion bid for US Steel would take the form of an investment instead of a purchase on February 7, even as two sources familiar with the matter said the Japanese steel company had not withdrawn its bid. Nippon's pursuit of US Steel has stretched on for more than a year, with Trump vociferously condemning the proposal on numerous occasions, before February 7 more tempered remarks at the Oval Office with Japanese Prime Minister Shigeru Ishiba at his side.

US Steel did not respond to a request for comment, while Nippon Steel declined to comment late Friday. It was unclear if the investment referred to a new deal structure and what the details of the transaction would be, but Trump said he would meet with the head of Nippon Steel next week and he would be involved

"to mediate and arbitrate." Nippon Steel "is going to be doing something very exciting about US Steel," Trump said on February 7, sitting next to Ishiba. "They'll be looking at an investment rather than a purchase." The US president mistakenly referred to Nippon Steel as "Nissan," the Japanese automaker, during his remarks, a White House official said.

The company's shares ended down nearly 6% on Friday after a volatile session. The stock initially rallied on a CBS report that Trump would consider approval of the deal, only to sink after Trump said in earlier remarks Friday that he hadn't changed his mind about his opposition. Trump's comments came one day after he met with US Steel Chief Executive David Burritt at the White House. The proposal became highly politicized ahead of November's US presidential election, with both Biden and Trump pledging to

kill it. Nippon Steel put forth a series of concessions to try to sway public opinion in favour of the deal. During separate remarks on February 7, Trump told reporters he hasn't changed his mind on his opposition to the deal. Last year, Trump said "I am totally against the once great and powerful US Steel being bought by a foreign company, in this case Nippon Steel of Japan."

United Steelworkers President David McCall said in a Friday statement that the union, which opposes the deal, has had no contact with either company or the administration regarding Nippon's investment in US Steel. "Our concerns regarding Nippon's continued interest in US Steel remain unchanged," he said in a statement. A \$14.9 billion bid for US Steel by Nippon Steel was blocked last month, by former President Joe Biden. ■

All Of Donald Trump's Tariffs And Threatened Trade Actions



Business Outlook Report

Since returning to office last month, US President Donald Trump has initiated numerous tariffs and made even more frequent threats to impose levies on imported goods.

They range from broad ones - a universal tariff on foreign-imported goods - to ones aimed at specific sectors, regions, or countries in an effort to get others to meet his policy demands. Trump's threats have changed over time, ranging from small levies to ones exceeding 200%, leaving other nations and businesses unclear of what

is to come next. Here is a roundup of Trump's trade-related steps and threats.

Broad Tariffs

A cornerstone of Trump's vision includes a phased rollout of universal tariffs on all US imports. Treasury Secretary Scott Bessent has been pushing for a modest 2.5% tariff rate that would climb each month, according to a Financial Times report.

However, Trump has suggested tariffs could be even higher. Whereas tariffs were once the mainstay of US tax revenues, in recent decades they have

dwindled to a fraction of US tax receipts. Economists say Trump's policies will be inflationary as importing businesses, which pay tariffs, will likely pass added costs to consumers.

On February 7, Trump said he would impose "reciprocal" tariffs, seemingly targeting countries that have levies on US goods. He has not specified what tariffs he would levy, however. Global trading partners could impose counter-tariffs, targeting US agricultural, energy, and machinery exports. This could escalate into a worldwide trade war,

creating uncertainty for businesses and investors.

Specific Countries

Trump's tariff proposals target several key trade partners.

MEXICO AND CANADA: The two countries were the largest trade partners of the US in 2024 through November, with Mexico ranked first. Trump announced he was imposing 25% duties on imports from Mexico and Canada to go into effect Feb. 4 as retaliation for migration and fentanyl trafficking.

Just before those tariffs



were imposed, however, Trump called off the levies, postponing them until March 1 pending negotiations with those two nations. On February 9, Trump said neither country had done enough to halt the flow of migrants or drugs. Canada primarily exports crude oil and other energy goods along with cars and car parts as part of the North American auto manufacturing chain. Mexico exports various goods to the US in the industrial and auto sectors.

CHINA: Trump imposed a 10% tariff against China, keeping his promise to put levies on those imports. China announced it would retaliate with levies on some US goods beginning on Monday. In Trump's first term, the two countries engaged in a long trade war that hurt both economies.

EUROPE: Trump said the EU and other countries

have troubling trade surpluses with the United States. He has said the countries' products will either be subject to tariffs or he will demand they buy more oil and gas from the US, even though US gas export capacity is near its limits.

RUSSIA: Trump has threatened to hit Russia "and other participating countries" with taxes, tariffs and sanctions if a deal to end the war in Ukraine is not struck soon.

INDIA / BRICS NATIONS: During his campaign Trump called India a "very big abuser" on trade and vowed to use tariffs to correct trade imbalances.

He has also threatened the broader BRICS group of nations with tariffs if they did not commit to not create a new currency.

COLOMBIA: Trump said he would put 25% tariffs

on Colombian goods after the country refused to take in flights carrying migrants to be deported from the US; the two sides worked out an agreement.

Products

METALS: Trump on February 9 said he was going to put tariffs on imports of all steel and aluminum, used by automakers, aerospace companies, and in construction and infrastructure.

The US is the world's largest aluminum importer, according to World Bank data. It has had a trade deficit in steel for a decade, according to the International Trade Administration. It is the second largest steel importer worldwide, with more than half of those volumes coming from Canada, Mexico and Brazil.

SEMICONDUCTORS: Trump has said he wants to

impose tariffs on imported computer chips, pointing to Taiwan, where Taiwan Semiconductor Manufacturing Co 2330.TW, the world's largest contract chipmaker, makes semiconductors for Nvidia, Apple and other US clients. TSMC generated 70% of its revenue in 2024 from customers based in North America.

PHARMACEUTICALS: Trump has suggested tariffs on pharmaceutical supplies including medications, which would be a change. Over the last few decades, pharmaceuticals have generally been exempt from tariffs.

AUTOMOBILES: Trump has floated the idea of 100% or greater tariffs on other vehicles, including potentially EVs. The automobile industry accounted for imports of more than \$202 billion from Canada and Mexico combined in 2024. ■

Trump To Impose New 25% Tariff On US steel, Aluminum Imports



Business Outlook Report

US President Donald Trump plans to impose 25-percent tariffs on steel and aluminum imports from Monday, prompting the threat of retaliation from Europe and a warning from China that there were no winners in a trade war.

Trump told reporters aboard Air Force One Sunday that the tariffs -- which he will announce later Monday -- will apply to "any steel coming into the United States," adding this will also affect aluminum. Trump imposed similar tariffs during his 2017-2021 presidency to protect US industries, which he believed faced unfair competition from Asian and European countries. While the European Commission

said on February 10 it had not received any official notification of the tariffs, French foreign minister Jean-Noel Barrot said the European Union will counter in kind and "replicate" any imposed. "There is no hesitation when it comes to defending our interests," he said during an interview with broadcaster TF1.

"We will react to protect the interests of European businesses, workers and consumers from unjustified measures," the European Commission said in a statement. Canada -- which Trump has already threatened with tariffs -- is the largest source of steel and aluminum imports to the United States, according to US trade data. Brazil, Mexico

and South Korea are also major steel providers. But around 25 percent of European steel exports go to the US, according to consultants Roland Berger, who warned in a recent note that "any tax from the United States would hurt the European sector". On February 9, Trump also said he would announce "reciprocal tariffs" to match his government's levies to the rates charged by other countries on US products.

"Every country will be reciprocal," Trump said, adding that he would make a detailed announcement on the tariffs on February 11 or February 12. Trump has already shown his fondness for weaponizing the United States' financial power, ordering tariffs on key trade partners

China, Mexico and Canada soon after he took office. He paused 25-percent levies against Canada and Mexico for a month after both countries vowed to step up measures to counter flows of the drug fentanyl and the crossing of undocumented migrants into the United States.

The tariffs against China went ahead, however, with products entering the United States facing additional levies of 10 percent since February 11. Beijing responded

and tariff war". Trump has also pledged tariffs on the EU and said that he would soon announce unspecified "reciprocal tariffs."

French President Emmanuel Macron vowed in an interview aired Sunday to go head-to-head with Trump over his financial threats to Europe, though he said that the United States should focus its efforts on China rather than the EU. Macron also warned on CNN that Americans would feel the effects of

year to nearly \$920 billion. Trump, who has promised a "new golden age" for the United States, has insisted that the impact of any tariffs would be borne by foreign exporters without being passed on to US consumers, despite most experts saying the contrary.

But he did acknowledge after announcing tariffs on Mexico, Canada and China earlier this month that Americans might feel economic "pain." Trump has wielded tariffs as



with targeted tariffs on certain US products such as coal and liquefied natural gas, which will come into play on February 10.

The new Chinese tariffs cover \$14 billion worth of US goods, while the tariffs announced by Trump cover \$525 billion worth of Chinese goods, according to Goldman Sachs. On Monday, foreign ministry spokesman Guo Jiakun reiterated "there is no winner in a trade war

any tariffs on Europe, saying they "will increase the costs and create inflation in the US."

And in an otherwise friendly meeting on February 7 with Japanese Prime Minister Shigeru Ishiba, Trump warned Tokyo could still face tariffs on exported goods if it fails to cut the US trade deficit with Japan to zero. The trade deficit of the United States -- the world's largest economy -- widened last

a threat to achieve his wider policy goals, most recently when he said he would slap them on Colombia when it turned back US military planes carrying deported migrants.

After a day-long showdown with Trump, the Colombian government backed down. ■

Construction Of 2 Mongla Port Jetties Progressing Fast

Business Outlook Report

The interim government has taken initiative to modernize Mongla port for expanding its activities resulting in progressing fast the construction works of two more jetties in the second largest sea port of the country. The government has also a plan to construct four more new jetties to enhance its container handling capacity and transform the port into a modern, world-class maritime hub.

The Executive Committee of the National Economic Council (ECNEC) approved a TK 4,068.23 crore project for expansion and modernization of Mongla port facilities on February 2 last.

The Mongla Port Authority (MPA), under the Ministry of Shipping, will implement the project by December 2028. Of the total cost, TK 475.33 crore will come from the government, while the remaining TK 3,592.90 crore will come through a loan from China. Talking to BSS, Chief Planning Officer Zahirul Haque of MPA said at least 62 percent construction works of two jetties with a cost of TK 800 crore has been completed as ECNEC has already approved plan of two more new jetties on February 2, 2025.

He, however, said, "We will also send revised Draft Project Proposal (DPP) of two more jetties taken earlier to ECNEC for approval in next meeting". Meanwhile, consultant has been appointed in this regard, he said, adding that dredging works are continuing for smooth movement of vessels, cargo and ship. Haque said Mongla Port will be a large regional hub after completion



of the jetties and other projects. Cargo and container of the Mongla Port has been operated with old and vulnerable machineries in the last three decades. The port is in suitable position in geographically, Haque said, adding that so, goods are imported and exported to and from Nepal, Bhutan and India through country's south-west region. He, however, said expansion of the port is needed as pressure has been created due to neighboring countries keen interest to use it. Sources said cargo and container handling will increase and export and import trading will get speed after completion of the jetties.

Dr Sheikh Faridul Islam, a user of the Port, said the Mongla port activities have already been geared up for various steps of the interim government. Commodore Md Shafiqul Islam Sarkar, Project Director of Jetty Construction and member of MPA, said the ongoing construction works of no-3 and no-4 jetties would be completed within one and a half years as construction works of the two more jetties would begin soon. Talking to BSS, Chairman of MPA Rear Admi-

ral Shaheen Rahman spoke about geographical significance of the Mongla Port saying the government is committed to developing the port into a regional hub by strengthening its container handling infrastructure.

He said international trade could be expanded further with Bhutan, Nepal and China in expansion of container handling capacity through implementation of this project. Referring to recent visit of Shipping Adviser Brigadier General (Retd) Dr. M Sakhawat Hussain, the MPA chairman said that the adviser announced several key projects during a meeting with port officials in Khulna.

The initiatives include dredging the Pashur Channel, upgrading port facilities, and constructing two new jetties. These projects will allow the port to handle 800,000 TEU containers, 4 million metric tonnes of cargo, and 30,000 vehicles annually.

He in his address also encouraged neighboring Nepal and Bhutan to utilize the Mongla port, suggesting it would boost regional trade and economic growth, Shaheen Rahman added. ■

WEEKLY SELECTED ECONOMIC INDICATORS

Chief Economist's Unit
(Policy Support Wing)
06 February 2025

Sl. No.	Indicator	05 February 2024		30 June 2024		30 January 2025 ^R		05 February 2025	
		25098.80	19932.54 (BPM6)	26714.20	21686.3 (BPM6)	25307.60	19964.31 (BPM6)	25544.32	20201.36 (BPM6)
1.	Foreign Exchange Reserve (in million US\$)	25098.80	19932.54 (BPM6)	26714.20	21686.3 (BPM6)	25307.60	19964.31 (BPM6)	25544.32	20201.36 (BPM6)
2.	Interbank Taka-USD Exchange Rate (average)	05 February 2024	05 February 2024	30 June 2024	30 June 2024	30 January 2025	30 January 2025	05 February 2025	05 February 2025
		110.0000	110.0000	118.0000	118.0000	122.0000	122.0000	122.0000	122.0000
3.	Overnight Call Money Rate	05 February 2024	05 February 2024	30 June 2024	30 June 2024	30 January 2025	30 January 2025	05 February 2025	05 February 2025
	Weighted Average Rate (in Percent)	9.31	9.31	9.01	9.01	10.00	10.00	9.99	9.99
	Broad/Overall Share Price Index	05 February 2024	05 February 2024	30 June 2024	30 June 2024	05 February 2025	05 February 2025	Percentage change	
		6322.60	6322.60	5328.40	5328.40	5170.06	5170.06	-2.97	05 Feb.25 over Jun.24
	a) Dhaka Stock Exchange (DSE)	18032.24	18032.24	15066.82	15066.82	14442.17	14442.17	-4.15	05 Feb.25 over Jun.23
	b) Chittagong Stock Exchange (CSE)	January, 2024	January, 2024	July-January, FY24	July-January, FY24	January, 2025 ^P	January, 2025 ^P		FY24
5.	a) Wage Earners' Remittances (in million US\$)	2113.15	2113.15	12912.83	12912.83	2185.23	2185.23	15961.79	23912.22
	b) Annual Percentage Change	7.88	7.88	3.70	3.70	3.41	3.41	23.61	10.65
	a) Import (C&F) (in million US\$)	December, 2023	December, 2023	July-December FY24	July-December FY24	December, 2024 ^P	December, 2024 ^P	July-December FY25 ^P	FY24 ^R
	b) Annual Percentage Change	5232.50	5232.50	32995.40	32995.40	6453.80	6453.80	34150.30	66725.10
	a) Import (f.o.b) (in million US\$)	December, 2023	December, 2023	July-December FY24	July-December FY24	December, 2024 ^P	December, 2024 ^P	July-December FY25 ^P	FY24 ^R
	b) Annual Percentage Change	4670.00	4670.00	30994.00	30994.00	6075.00	6075.00	32088.00	63239.00
	a) Export (f.o.b) (in million US\$)	December, 2023	December, 2023	July-December FY24	July-December FY24	December, 2024 ^P	December, 2024 ^P	July-December FY25 ^P	FY24 ^R
	b) Annual Percentage Change	3650.00	3650.00	20118.00	20118.00	16.44	16.44	22324.00	40808.00
7.	a) Export (f.o.b) (in million US\$)	December, 2023	December, 2023	July-December FY24	July-December FY24	December, 2024 ^P	December, 2024 ^P	July-December FY25 ^P	FY24 ^R
	b) Annual Percentage Change	-34650	-34650	-34650	-34650	33.0	33.0	-6604.0	-5.89
8.	Current Account Balance (in million US\$)	December, 2023	December, 2023	July-December FY24	July-December FY24	December, 2024 ^P	December, 2024 ^P	July-December FY25 ^P	FY24
	a) Tax Revenue (NBR) (BDT in crore)	27803.23	27803.23	157988.90	157988.90	29659.40	29659.40	156446.40	382678.41
	b) Annual Percentage Change	-6.11	-6.11	8.63	8.63	6.68	6.68	-0.98	15.44
	Investment in National Savings Certificates (BDT in crore)	November, 2023	November, 2023	July-November FY24	July-November FY24	November 2024 ^P	November 2024 ^P	July-November FY25 ^P	FY24
	a) Net Sale	-1553.80	-1553.80	-3858.81	-3858.81	-3430.90	-3430.90	1676.92	-21124.38
	b) Total Outstanding	363534.52	363534.52	363534.52	363534.52	347945.97	347945.97	347945.97	346269.05
	a) Reserve Money (RM) (BDT in crore)	December, 2023	December, 2023	June, 2024 ^R	June, 2024 ^R	December, 2024 ^P	December, 2024 ^P	Percentage change	
	b) Broad Money (M2) (BDT in crore)	372315.60	372315.60	413647.00	413647.00	399499.70	399499.70	Dec.24 over Dec.23	Dec.23 over Jun.23
		1909147.70	1909147.70	2033234.00	2033234.00	2053686.00	2053686.00	7.30	Jun'24 over Jun'23
								-3.42	7.84
								1.01	7.74

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06 February 2025

	July-December FY24			July-December FY25 ^P			Percentage change over July-December FY24					
	Opening	Settlement	2150984.60	Opening	Settlement	2150984.60	Opening	Settlement	Opening	Settlement	Settlement	Settlement
Total Domestic Credit (BDT in crore)	1971222.20	3239.17	2150984.60	2115524.90	3239.04	2150984.60	9.12	1.68	2.31	9.80	2.31	9.80
a) Net Credit to the Govt. Sector	351658.40	1457.80	415577.10	424877.10	873.40	415577.10	18.18	-2.19	-9.21	9.69	-9.21	9.69
b) Credit to the Other Public Sector	48893.50	2551.75	50330.90	49419.10	2087.30	50330.90	2.94	1.85	8.26	9.42	8.26	9.42
c) Credit to the Private Sector	1570670.30	4903.62	1685076.60	1641228.70	4484.12	1685076.60	7.28	2.67	5.11	9.84	5.11	9.84
L/C Opening and Settlement (in million US\$)												
a) Consumer Goods	3168.53	3239.17	3055.94	3259.04	3259.04	3055.94	2.86	-5.66	-13.56	-13.56	-5.66	-13.56
b) Capital Machinery	1285.21	1457.80	1054.59	873.40	1054.59	1054.59	-32.04	-27.66	-23.86	-23.86	-27.66	-23.86
c) Intermediate Goods	2253.33	2551.75	2195.98	2087.30	2195.98	2195.98	-7.37	-13.94	-12.00	-12.00	-13.94	-12.00
d) Petroleum	4874.01	4903.62	4890.97	4484.12	4890.97	4890.97	-8.00	-0.26	-5.02	-5.02	-0.26	-5.02
e) Industrial Raw Materials	11286.73	10628.10	11822.68	12370.91	11822.68	11822.68	9.61	11.24	-15.90	-15.90	11.24	-15.90
f) Others	10622.80	10658.84	11306.79	11817.10	11306.79	11306.79	11.24	6.08	5.80	5.80	6.08	5.80
Total	33490.61	33439.28	34326.95	34891.87	34326.95	34326.95	4.18	2.65	-8.29	-8.29	2.65	-8.29
Back to Back L/C	4671.64	4152.81	5124.11	5718.04	4152.81	5124.11	22.40	23.39	-7.19	-7.19	23.39	-7.19
Rate of Inflation on the basis of Consumer Price Index for National (Base:2021-22=100)	May, 2024	June, 2024	August, 2024	July, 2024	June, 2024	August, 2024	September, 2024	October, 2024	November, 2024	December, 2024	January, 2025	January, 2025
a) Twelve Month Average Basis	9.73	9.73	9.95	9.90	9.73	9.95	9.97	10.05	10.22	10.34	10.34	10.34
b) Point to Point Basis	9.89	9.72	10.49	11.66	9.72	10.49	9.92	10.87	11.38	10.89	10.89	9.94
Corresponding Period	May, 2023	June, 2023	August, 2023	July, 2023	June, 2023	August, 2023	September, 2023	October, 2023	November, 2023	December, 2023	January, 2024	January, 2024
a) Twelve Month Average Basis	8.84	9.02	9.24	9.90	9.02	9.24	9.29	9.37	9.42	9.48	9.48	9.59
b) Point to Point Basis	9.94	9.74	9.92	9.69	9.74	9.92	9.63	9.93	9.49	9.41	9.41	9.86
Classified Loan	September, 2022	December, 2022	June, 2023	March, 2023	December, 2022	June, 2023	September, 2023	December, 2023	March, 2024	June, 2024	September, 2024	September, 2024
a) % of Classified Loan to Total Outstanding	9.36	8.16	10.11	8.80	8.16	10.11	9.93	9.00	11.11	12.56	16.93	16.93
b) % of Net Classified Loan to Net Outstanding	0.90	-0.08	1.58	0.30	-0.08	1.58	1.22	0.59	2.44	3.68	5.89	5.89
Agricultural and Non-farm Rural Credit (BDT in crore)	November, '23	December, '23	November, 24 ^P	July-December, FY24	December, 24 ^P	November, 24 ^P	December, 24 ^P	July-Dec, FY25 ^P	FY24 ^P	FY23	FY22	FY22
a) Disbursement**	3319.61	3046.05	3689.79	18326.17	3689.79	3689.79	3177.96	16259.11	37153.90	32829.89	28834.21	28834.21
b) Recovery	3470.00	3361.09	3747.08	17779.54	3747.08	3747.08	3047.76	19117.26	35571.62	33010.09	27463.41	27463.41
c) Outstanding	54590.56	55395.32	54809.59	55395.32	54809.59	54809.59	56018.85	56018.85	58119.59	52704.45	49802.28	49802.28
SME Loan (BDT in crore)	Jan-Mar, FY23	Apr-Jun, FY23P	Oct-Dec, FY24 ^P	Jul-Sept, FY24P	Jan-Mar, FY24 ^P	Oct-Dec, FY24 ^P	Jan-Mar, FY24 ^P	April-June, FY24 ^P	July-September, FY25 ^P	FY24	FY23	FY23
a) Disbursement	49068.40	62747.05	64841.99	52654.90	53107.48	64841.99	53107.48	54526.41	44202.85	225130.78	224103.87	224103.87
b) Outstanding	283236.32	295842.02	304241.45	298339.27	303970.10	304241.45	303970.10	306119.87	299958.54	306119.87	295842.02	295842.02
Industrial Term Loan (BDT in crore)	Jan-Mar, FY23 ^P	Apr-Jun, FY23P	Oct-Dec, FY24 ^P	Jul-Sept, FY24P	Jan-Mar, FY24 ^P	Oct-Dec, FY24 ^P	Jan-Mar, FY24 ^P	April-June, FY24 ^P	July-September, FY25 ^P	FY24	FY23	FY23
a) Disbursement	20907.66	26127.36	33763.22	26194.00	22015.37	33763.22	22015.37	24971.83	23116.58	106944.42	95172.03	95172.03
b) Recovery	17899.35	17290.02	25062.93	22712.86	23468.00	25062.93	23468.00	25345.17	20575.35	96588.96	106393.23	106393.23
c) Outstanding	383075.76	395317.82	433807.76	399693.22	428079.27	433807.76	428079.27	442485.79	414533.33	442485.79	395317.82	395317.82
GDP Growth Rate (Base: 2015-16)	FY16	FY17	FY19	FY18	FY20	FY19	FY20	FY21	FY22	FY23 ^R	FY24 ^P	FY24 ^P
	7.27	6.59	7.88	7.32	3.45	7.88	3.45	6.94	7.10	5.78	5.78	5.82

Weekly basis commodity Statement of LCs Opened and Settleed for the month of August/2022

In million US \$(Provisional)

Sl. No.	Name Of The Commodity	First week		Second week			Third week		Fourth week		Fifth week		Total	
		Opened	Settled	Opened	Settled	Opened	Settled	Opened	Settled	Opened	Settled	Opened	Settled	
1.	Rice	6.54	2.75	6.74	6.05	16.40	4.26	8.36	3.21	4.98	0.51	43.03	16.78	
	i) Private Sector	6.52	2.75	6.74	6.05	16.37	4.26	8.36	3.21	4.98	0.51	42.97	16.78	
	ii) Public Sector	0.02	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.00	0.00	0.06	0.00	
2.	Wheat	35.70	11.42	0.91	12.04	0.68	6.45	18.73	10.57	119.26	3.62	175.29	44.10	
	i) Private Sector	13.28	11.42	0.91	12.04	0.68	6.45	18.73	10.57	119.26	3.62	152.87	44.10	
	ii) Public Sector	22.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22.42	0.00	
3.	Sugar	3.36	10.09	0.07	10.78	0.02	5.27	2.53	24.36	0.04	10.33	6.02	60.83	
	a. Raw	0.00	5.09	0.04	5.78	0.02	5.27	2.53	14.36	0.00	10.28	2.59	40.78	
	i) Private Sector	0.00	5.09	0.04	5.73	0.02	5.27	0.00	14.36	0.00	10.28	0.06	40.73	
	ii) Public Sector	0.00	0.00	0.00	0.06	0.00	0.00	2.53	0.00	0.00	0.00	2.53	0.06	
	b. Refined	3.36	5.00	0.03	5.00	0.00	0.00	0.00	10.00	0.04	0.06	3.43	20.04	
	i) Private Sector	0.00	5.00	0.00	5.00	0.00	0.00	0.00	9.98	0.04	0.06	0.04	20.03	
	ii) Public Sector	3.36	0.00	0.03	0.00	0.00	0.00	0.00	0.02	0.00	0.00	3.39	0.02	
4.	Milk Food	10.02	10.82	3.15	6.34	1.93	1.75	4.01	8.15	0.09	0.53	19.21	27.60	
5.	Edible Oil (Refined)	47.55	36.81	49.28	51.78	91.38	46.41	57.07	17.37	0.00	4.03	245.29	156.40	
	a) Soyabean	2.93	18.50	14.18	0.00	4.81	2.49	0.00	8.66	0.00	0.00	21.92	29.65	
	b) Palm Oil	4.77	13.76	0.01	28.85	19.57	16.25	57.07	4.86	0.00	4.03	81.42	67.75	
	c) Others	39.85	4.55	35.09	22.93	67.00	27.67	0.00	3.85	0.00	0.00	141.95	59.00	
6.	Edible Oil (Crude)	39.50	40.14	9.36	15.78	44.59	54.37	51.72	23.16	0.01	17.45	145.17	150.91	
	a) Soyabean	10.23	13.30	6.52	10.69	17.56	45.18	21.30	22.74	0.00	11.50	55.60	103.41	
	b) Palm Oil	0.00	0.00	0.00	5.10	0.00	9.17	30.40	0.37	0.00	0.00	30.40	14.63	
	c) Others	29.27	26.84	2.84	0.00	27.04	0.02	0.02	0.05	0.01	5.95	59.17	32.86	
7.	Dry Fruits	0.60	0.32	0.32	0.52	0.41	0.14	0.57	0.24	0.07	0.03	1.97	1.25	
	a) Dates	0.09	0.06	0.11	0.29	0.22	0.03	0.40	0.06	0.04	0.01	0.86	0.45	
	b) Others	0.50	0.26	0.21	0.24	0.19	0.10	0.17	0.18	0.03	0.03	1.10	0.80	
8.	Pulses	0.57	0.82	1.27	0.71	1.06	15.39	8.53	7.58	2.06	2.56	13.49	27.05	
	a) Masur Dal	0.44	0.70	1.14	0.71	1.01	15.06	8.43	7.14	2.02	0.58	13.03	24.19	
	b) Chola Dal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	c) Others	0.12	0.12	0.13	0.00	0.06	0.32	0.10	0.43	0.04	1.98	0.46	2.86	
9.	Onion	3.46	3.32	3.30	3.86	2.78	2.19	3.44	3.55	0.87	0.65	13.85	13.58	
10.	Ginger	0.16	0.44	0.64	0.51	0.26	0.21	0.18	0.50	0.03	0.07	1.27	1.73	
11.	Drugs & Medicines	2.48	1.72	1.03	2.37	0.20	1.62	1.22	0.81	2.07	0.12	7.01	6.63	
12.	Poultry Feeds	7.98	17.10	2.67	22.62	4.17	3.44	3.06	17.58	2.51	3.41	20.38	64.15	
13.	Coal	14.98	2.96	13.32	0.59	8.39	0.16	0.45	0.28	0.11	0.21	37.25	4.19	
14.	Cement	2.73	4.39	4.33	0.53	1.07	4.29	2.40	4.86	0.00	1.31	10.53	15.38	
15.	Clinker	15.81	8.51	24.36	12.69	20.46	4.70	20.95	19.74	2.33	6.72	83.90	52.36	
16.	B.P Sheet	2.64	1.11	3.42	1.41	0.29	0.81	0.92	0.57	0.70	0.35	7.98	4.25	
17.	Scrap Vessels	12.06	8.88	22.93	2.72	0.00	3.31	1.66	6.09	0.00	11.82	36.66	32.82	
18.	Paper	2.11	2.68	1.16	2.31	0.86	2.96	0.83	3.71	0.29	0.93	5.24	12.60	
	i) Newsprint	0.01	0.24	0.00	0.09	0.54	0.15	0.00	0.06	0.00	0.00	0.55	0.55	
	ii) Others	2.10	2.44	1.16	2.22	0.32	2.81	0.83	3.65	0.29	0.93	4.69	12.05	
19.	Zinc Ingot	0.61	0.79	1.91	4.89	0.00	2.11	5.75	0.95	1.85	0.08	10.13	8.83	
20.	Raw Cotton	38.87	70.33	42.74	65.53	27.12	63.07	33.07	74.82	6.44	22.88	148.24	296.63	
21.	Synthetic/Mixed Yarn	21.65	24.52	13.22	26.10	17.13	20.06	12.57	22.86	3.38	6.47	67.95	100.00	
22.	Cotton Yarn	27.29	50.04	29.08	53.21	22.55	42.60	27.32	52.75	7.26	12.68	113.49	211.29	
23.	Textile Fabrics	25.43	18.18	23.03	19.82	15.03	16.66	16.59	23.26	1.53	4.19	81.62	82.12	
24.	Textile Accessories	18.41	21.01	17.34	16.99	10.97	15.95	22.04	22.73	5.72	8.80	74.47	85.48	
25.	Back-to-Back L/Cs	171.73	155.03	131.06	160.80	80.92	117.43	125.50	185.55	18.89	48.03	528.10	666.85	
	a. Fabrics	124.44	108.31	89.84	110.88	55.79	81.34	92.85	132.42	11.86	35.42	374.78	468.38	
	b. Accessories	42.05	42.33	38.36	42.70	22.42	33.74	31.09	49.26	6.71	11.38	140.64	179.41	
	c. Others	5.23	4.39	2.86	7.22	2.71	2.35	1.56	3.87	0.32	1.23	12.68	19.06	
26.	Pharmaceutical Raw Materials	19.59	17.20	12.10	12.53	11.21	13.11	14.78	18.77	1.99	3.77	59.67	65.37	
27.	Chemicals & Chemical Products	65.36	22.53	78.18	109.53	34.82	54.94	19.88	198.75	3.89	18.13	202.12	403.88	
	a. Chemical Fertilizer	39.74	6.19	20.47	88.18	23.53	40.30	3.22	179.42	0.48	3.46	87.43	317.55	
	i) Urea	33.85	0.21	0.63	0.05	1.40	0.93	0.38	0.13	0.00	0.00	36.26	1.33	
	ii) TSP	0.27	0.03	14.14	30.46	0.00	0.00	0.00	28.97	0.00	0.00	14.41	59.46	
	iii) MOP	0.00	0.00	0.00	0.04	20.70	29.02	0.04	57.71	0.00	0.11	20.74	86.87	
	iv) DAP	2.78	0.62	3.18	50.82	0.09	0.25	0.08	88.78	0.00	0.00	6.13	140.47	
	v) Others	2.84	5.33	2.52	6.82	1.34	10.09	2.72	3.84	0.48	3.36	9.89	29.43	
	b. Other Chemicals & Chemical Product	25.62	16.34	57.71	21.35	11.28	14.65	16.66	19.33	3.41	14.66	114.69	86.33	
28.	P.O.L.	53.95	62.39	48.86	216.24	48.89	49.31	46.46	104.75	44.78	0.00	242.95	432.69	
	i) Crude	2.50	0.09	0.04	0.00	0.01	0.12	0.06	0.20	0.00	0.00	2.62	0.41	
	ii) Refined	51.45	62.30	48.81	216.24	48.88	49.19	46.40	104.55	44.78	0.00	240.33	432.28	
29.	Capital Machinery	39.67	60.15	30.44	72.01	18.97	58.71	54.02	62.79	6.14	21.98	149.24	275.64	
30.	Machinery For Mize Industries	40.80	38.27	36.40	26.25	33.05	46.50	40.34	48.12	10.81	12.19	161.40	171.34	
31.	Motor Vehicle	9.83	15.82	4.24	16.59	1.19	7.30	7.55	9.67	1.18	4.16	23.99	53.54	
32.	Computer, Its Accessories & Spares	4.49	4.33	1.11	5.08	3.04	5.07	3.14	2.92	0.06	0.90	11.85	18.29	
33.	Medical, Surgical & Dental Equipments	1.62	2.12	2.18	2.20	1.07	2.10	2.28	3.90	0.77	0.57	7.92	10.90	
34.	Others	391.39	369.18	331.13	427.49	255.00	403.68	326.46	452.04	76.18	150.14	1380.15	1802.54	
	Grand Total	1138.93	1096.19	951.28	1388.85	775.92	1076.34	944.39	1436.97	326.30	379.63	4136.82	5377.98	

Data downloaded: on 31.08.22



Russia Posts Strong Economic Growth In 2024

Business Outlook Report

Russia reported strong economic growth for 2024 on February 7 as record spending on the military offensive against Ukraine outweighed the impact of Western sanctions. Moscow's massive ramp-up in outlays on soldiers and weapons has helped it defy predictions of a deep recession after it launched its military campaign in February 2022.

But fast growth has triggered high inflation and deep labour shortages at home, worrying the Kremlin. The economy expanded by 4.1 per cent in 2024, prime minister Mikhail Mishustin told Russian president Vladimir Putin in a televised meeting, citing data from the Rosstat statistics

agency. That was the same as the pace of growth in 2023, Mishustin said — revising up the previous figure of a 3.6 per cent expansion for that year. Putin hailed the economic performance, but ordered Mishustin to get a grip on rising prices. 'Overall, the result is good,' Putin said. 'The task for the current year is to reach a more balanced growth trajectory and achieve a reduction in inflation,' he said.

Mishustin said it was 'absolutely clear that the main challenge is inflation', which came in at 9.5 per cent last year. Surging prices for staple goods have become headline news in state media — usually uncritical of the Kremlin — in recent months. The cost of butter rose 36 per cent in 2024, the Rosstat statistics agency said, with overall food prices more than 11

per cent higher. Prices have been pushed higher by a rapid increase in state spending amid the Ukraine offensive. State expenditure is set to be two-thirds higher in 2025 compared to 2021, before Russia's military offensive. Putin said last year that Moscow is spending almost nine per cent of its GDP on defence and security. Russian officials and economists say the economy is set to slow this year.

A survey of analysts by the central bank published this week showed expectations are for a 1.6 per cent expansion in 2025. 'Perhaps there will not be such significant growth of the economy in the following year, but it is very important to stop inflation,' Mishustin told Putin. After warning for months the economy was 'overheating', the central bank said

this week that growth was set to return to 'more sustainable rates'. It has raised interest rates to a two-decade high of 21 per cent in an attempt to bring inflation under control and cool the economy, but rising borrowing costs have caused anger among businesses and households. The West had hoped sanctions would collapse Russia's economy and thwart Moscow's ability to fund its military offensive.

But Russia's economy is now more than six per cent larger than it was before the offensive, the central bank says. Before sending troops into Ukraine, Russia had faced almost a decade of sluggish growth and falling living standards — suffering under sanctions and restrained domestic spending after Moscow annexed Crimea in 2014. ■

Bangladesh Bank Predicts Sluggish Economy In FY25



Business Outlook Report

The Bangladesh Bank is not optimistic about the country's economic outlook for the 2024-25 financial year as the central bank on February 10 predicted economic growth would remain sluggish at about 4-5 per cent in FY25 due to a host of challenges.

In its monetary policy statement for the second half of FY25, the central bank kept the policy rate unchanged, prioritising inflation control and exchange rate stability amid rising non-performing loans in the country's banks and non-bank financial institutions. The MPS stated that economic recovery would be difficult in the short term as the government focuses on fiscal discipline while the central bank

works to rein in inflation. However, it expects the growth would rebound to 6 per cent or higher in FY26 as political uncertainty eases and policy measures take effect. Key economic drivers include remittance inflows, robust readymade garment exports and increased consumer demand ahead of religious festivals.

The surge in NPLs is likely to exceed 30 per cent of the total outstanding loans, raising serious concerns for the banking industry. Contributing factors include systemic weaknesses, regulatory gaps and exploitative practices such as money laundering and illicit capital flights, the MPS said. At the MPS unveiling event, Bangladesh Bank governor Ahsan H Mansur highlighted the country's ongoing

challenges in addressing persistent inflation, stabilising the exchange rate, rebuilding foreign exchange reserves and restoring confidence in the banking system. Despite implementing monetary and fiscal tightening measures, inflation remained above 10 per cent for an extended period. In response to the latest inflation data, the central bank has decided to maintain the policy rate at 10 per cent, Mansur said.

He also said that repatriating laundered funds from abroad was a complex process that might take four to five years. He expressed concern that certain borrowers, including entities like S Alam Group, might not be fully aware of the total amounts they had laundered abroad. As part of its

reform initiatives, the Bangladesh Bank is currently reviewing various regulations, including the Bank Company Act, to identify necessary amendments to be made to strengthen the financial sector's integrity and stability. With the Bangladesh Bank maintaining its restrictive monetary stance, businesses and economists remain sceptical about its effectiveness.

Zahid Hussain, former lead economist at the World Bank's Dhaka office, said that a tight monetary policy was necessary due to persistent inflation, despite the business sector demanding a somewhat expansionary approach. With non-food item prices rising for three consecutive months, inflation has become entrenched, requiring a broader coordination between monetary, fiscal and market policies.

The government's decision to reduce bank borrowing to Tk 99,000 crore from Tk 1,37,500 crore is expected to help implement the monetary policy and create space for private sector credit growth, he added. However, strict foreign exchange controls, such as the Tk 122 a dollar ceiling, indicate the Bangladesh Bank's reluctance to allow the exchange rate to float, Zahid said.

Intended to curb inflation, such restrictions disrupt trade by preventing competitive pricing in the letter of credit market, he said. The Dhaka Chamber of Commerce and Industry expressed concern over the continuation of a contractionary monetary policy in the second half of FY25, stating that keeping the policy rate at 10 per cent would restrict the private sector credit growth and hamper economic expansion.

The DCCI also criticised the decision to cap private sector credit growth at 9.8 per cent for January-June FY25, while the actual growth had already fallen to 7.3 per cent in early 2025 — the lowest in 12

years. The chamber observed that restoring business confidence required pushing up credit growth to the double digit level.

The trade body also faulted the Bangladesh Bank on inadequate steps in strengthening banking governance amid liquidity shortages and rising NPLs.

It urged the central bank to adopt a more flexible monetary policy, closely monitor its impacts on inflation and growth, and introduce targeted measures to boost credit flow.

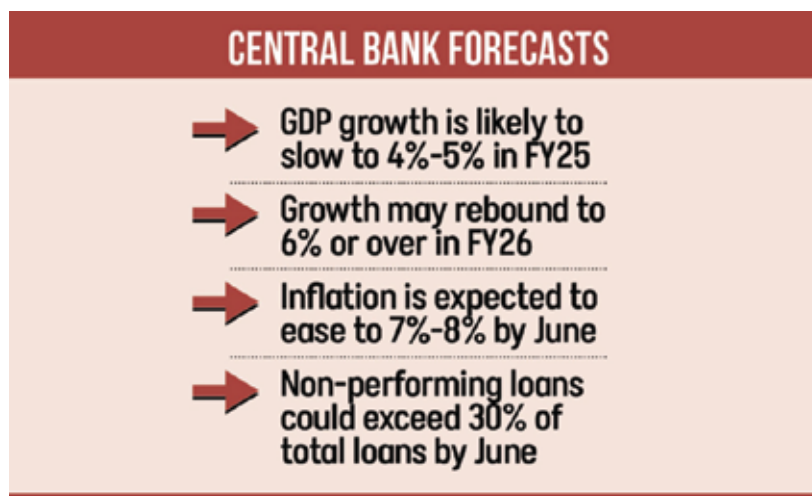
The new MPS also highlighted growing concerns over NPLs, slowing economic activity, and weak deposit and credit growth — challenges that continue to strain the

Bangladesh Bank have launched reform initiatives to stabilise the banking sector and ensure long-term economic sustainability.

The success of these measures will depend on their effective implementation, particularly in addressing distressed banks based on the findings of the asset quality review.

Despite the challenges, some positive trends have emerged. The point-to-point inflation rate eased in December 2024 and January 2025, dropping to 9.94 per cent in January from 11.38 per cent in November, largely due to a decline in food inflation.

The Bangladesh Bank anticipates that inflation would fall to 7-8 per cent by June 2025 and approach 5



banking sector. It identified key areas such as restoring macroeconomic stability, preventing a potential banking crisis, initiating legal and policy reforms, strengthening central bank operations and recovering assets lost from the banking system.

The private sector credit growth has been declining since November 2022, dropping to 7.3 per cent in December 2024 from 14.3 per cent in March 2021 due to a slow deposit growth and increased government borrowing from commercial banks. In response, the government and

per cent by the end of the year, provided its policy stance remains firm and stakeholders cooperate. The depreciation of the taka remains a concern, as the currency lost over 30 per cent of its value from 2022 to 2024, driving inflation higher through exchange rate effects.

The Bangladesh Bank aims to manage the exchange rate prudently, balancing the need for curbing inflation with efforts to boost remittance inflows, strengthen export competitiveness and rebuild foreign exchange reserves. ■

Budget FY26: NBR Asks For Tax Proposals From Businesses

Business Outlook Report

The National Board of Revenue has asked for proposals and recommendations from chambers and trade bodies to improve tax regulations, including Value-Added Tax, for the upcoming financial year 2025-26 budget. In this regard, the NBR sent letters to the leaders of trade bodies, chambers of commerce and industries, legal associations, government offices, and ministries on February 9.

The NBR sought proposals from businesses to rationalise the tax-GDP ratio, facilitate trade and commerce and eliminate procedural complications, according to the letter. The business organisations have been requested to send opinions, proposals and recommendations on the laws and regulations, including Value Added Tax and Supplementary Duty Act, 2012, Value Added Tax and Supplementary Duty Rules, 2016, The Excises and Salt Act 1944, and relevant notifications and orders issued under the above-mentioned laws and regulations.

On February 9, the VAT policy wing of the NBR issued three separate letters to the ministries, commissionerate departments, associations and federations, asking them to submit their proposals and recommendations by March 6



either in hard copies or via the email address of the concerned wing. The letter stressed the necessity of well-considered budget proposals and recommendations based on the trade bodies' practical experiences concerning VAT and other indirect tax regulations. Earlier, in the first week of February, the NBR sought proposals and recommendations from trade bodies, professional organizations, and investment promotion agencies on income tax laws for the upcoming budget.

NBR urged businesses and stakeholders to submit their proposals on the Income Tax Act 2023, rules on withholding tax, the Travel Tax Act 2003, and the Gift Tax Act 1990 by February 20 via hard copies or email addresses of the Tax Policy Wing of the NBR. This letter also calls for thoughtful opinions and

recommendations based on practical experiences of the trade bodies and other organisations to improve direct tax laws. An official of the NBR told New Age that the discussion on the budget proposals with the trade bodies and association is likely to start in the second week of March. Taskeen Ahmed, president of the Dhaka Chamber of Commerce and Industry, said that they are collecting data from their members to formulate considerable budget proposals and recommendations. They will submit the proposals within the due date.

Usually, NBR seeks budget proposals and recommendations from the trade bodies and chambers before formulating a budget. Then, they finalize schedules of pre-budget discussions with different trade bodies to make the budget more participatory, rational,

balanced, and people-oriented. TIM Nurul Kabir, executive director of the Foreign Investors Chamber of Commerce and Industry, told New Age that the organisations' dedicated team is working to formulate a practical and realistic budget proposal to submit to the NBR for the upcoming FY26.

'After collecting data from our members, we are preparing our proposals as per the demands of the current business atmosphere of the country and we will submit it before the due date. After holding the pre-budget discussion with NBR, we will disclose our proposals to the media,' he added. The proposed national budget for FY26 is expected to be presented in the first week of June this year. It will be the first budget of the current interim government. ■

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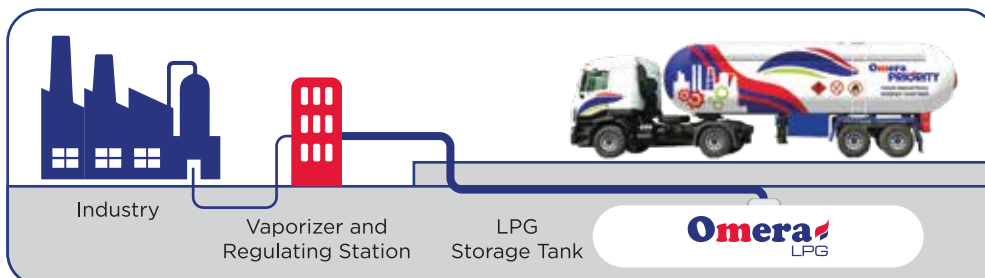


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